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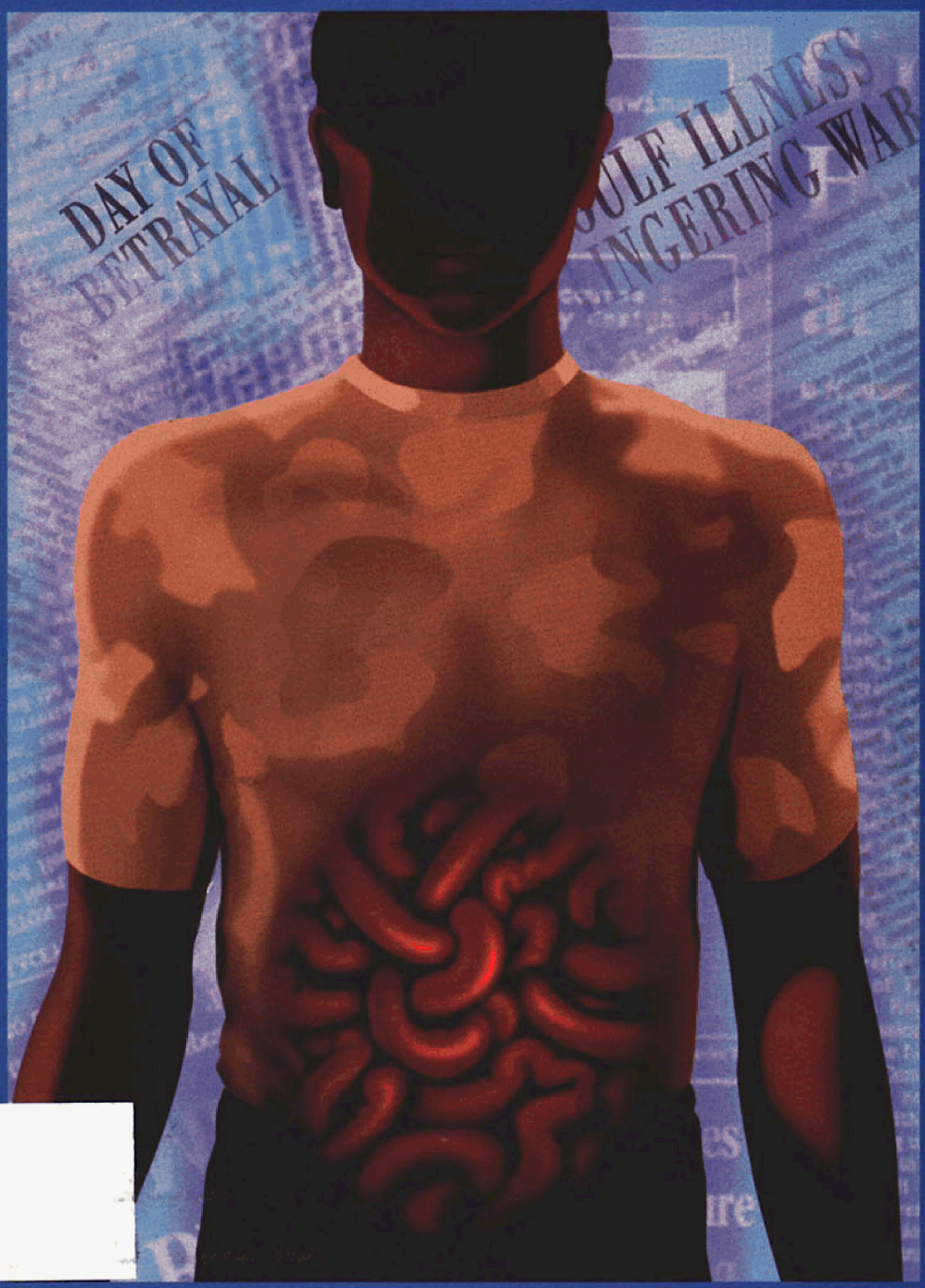

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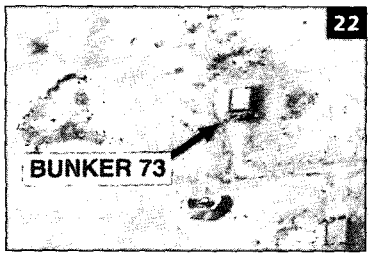

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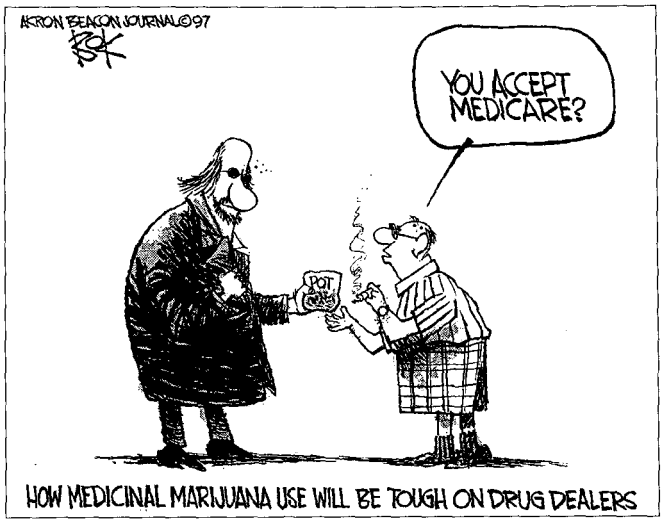
Reefer Madness

Why the Clinton administration is terrified by medical marijuana.

By Virginia I. Postrel

When California and Arizona voters gave substantial majorities to the proposition that sick people ought to be allowed to use marijuana (and, in Arizona, other illegal drugs) if it might ease their suffering, the reaction in Washington was predictable: utter horror. Propositions 215 and 200 struck not only at the heart of drug war propaganda but also at the most sensitive assumptions underlying the regulatory state. (See "Prescription: Drugs," February 1996.)

For drug warriors, Propositions 215 and 200 are terrifying because these laws recognize that marijuana is not especially dangerous. "We have a problem," said Health and Human Services Secretary Donna Shalala at the Clinton administration's anti-initiative press conference. "Increasing numbers of Americans believe that marijuana is not harmful." Indeed.



Like the once-common insistence that steroids do not help athletes bulk up, the oft-repeated lie that marijuana is some kind of deadly poison leads people—especially young people—to suspect all suggestions that drugs may be dangerous. It's hardly surprising that drug use has turned up among the most propagandized generation in history, or that almost all the upswing is accounted for by casual pot smoking. You don't have to smoke marijuana yourself, or even have a very wide circle of friends, to find plenty of anecdotal evidence that the drug is neither particularly hazardous to health nor the gateway to drug-abuse hell. If she doubts this commonsensical observation, Shalala could ask the president or vice president, among numerous other administration officials with marijuana smoking in their past. Or she could consult mountains of scientific research, much of it aimed at proving the dangers of dope.

As Lester Grinspoon and James B. Bakalar wrote in a 1995 editorial in *The Journal of the American Medical Association*: "One of marihuana's greatest advantages as a medicine is its remarkable safety. It has little effect on major physiological functions. There is no known case of a lethal overdose; on the basis of animal models, the ratio of lethal to effective dose is estimated as 40,000 to 1....It is true that we do not have studies controlled according to the standards required by the FDA —chiefly because legal, bureaucratic, and financial obstacles are constantly put in the way. The situation is ironical, since so much research has been done on marihuana, often in unsuccessful attempts to prove its dangerous and addictive character, that we know more about it than about most prescription drugs." (This and related articles are available at www.lindesmith.org/lindesmith/focal.html.)

Just as anti-gay conservatives are far more threatened by stable, bourgeois same-sex couples (who want to get *married!*) than by anonymous bathhouse sex or exhibitionists parading in leather jock straps, nothing would undermine the official line on drugs more than lots of respectable, otherwise law-abiding people admitting that they smoke marijuana without ruining their lives. Very few responsible recreational users, however, are likely to risk the legal consequences of coming out of the closet.

The medical marijuana initiatives bypass that problem. They introduce a prospect even more threatening to the status quo: What kind of mean-spirited person, after all, would deny sick people relief? As Jim Christie reported in REASON, even Pat Buchanan sympathizes with patients who need pot, as did Newt Gingrich back in 1981. (See "Club Medicine," April 1996.) Yet if thousands—or even hundreds—of average Americans suddenly start admitting in public that they smoke marijuana to relieve various illnesses, the demonization of the drug can't be sustained.

The Clinton administration is trying mightily not to appear to be attacking physicians. When asked about what they planned to do to deter doctors from recommending marijuana, Shalala and her law-enforcement colleagues—Attorney General Janet Reno and drug czar Barry McCaffrey—dodged desperately. "This isn't about physicians," said Shalala. "This is about truck drivers. It's about workers in federal buildings. It's about teachers." In other words, it's about doctors *and their patients.*

And the administration is quite assuredly threatening doctors. "We are going to take very, very serious action against them," Drug Enforcement Administration head Thomas Constantine told *The New York Times.* Reno, meanwhile, urges local authorities to "make arrests and prosecute." Remember, too, that what's at stake

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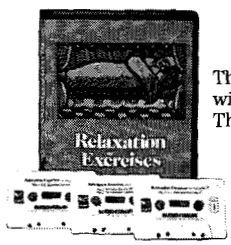

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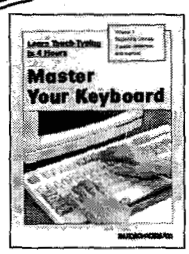

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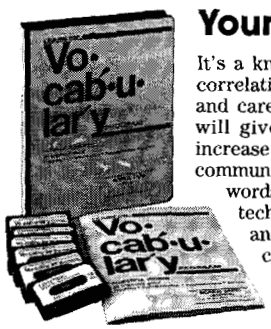

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is merely *recommending* marijuana—free speech, in other words, between physicians and patients. The administration that began its first term by repealing the so-called gag rule prohibiting federally funded clinics from advising patients about abortions is starting its second by trying to impose a gag rule in cases where federal money isn't even involved.

In their attempts to manipulate the public by misusing the language, administration officials have decided to wrap themselves in science. Instead of defending the criminal law—which, for the most part, doesn't even fall under their jurisdiction—they are relying on pharmaceutical regulation to save them.

"We have a consensus in this country and *national* law that establishes a standard for drugs that are used in California and in New York. The NIH and the FDA are the core of that approval process," said Shalala at the December 30 press conference. "If it starts falling apart and every state legislature can suddenly approve a drug—not based on any scientific fact—we are undermining the basic health and scientific standard by which this country has established the most extraordinary quality of health care.... What's at stake are our youngsters, but just as important, the scientific base for our entire health care system."

This statement was designed to confuse both the journalists in the room and the public at large. For starters, the National Institutes of Health ordinarily have no role in approving drugs. They fund biomedical research, some of which leads to new pharmaceuticals. Most new drugs come not from the government but from private companies, entities that apparently don't exist in Shalala's mental universe. Nor is it clear that U.S. pharmaceutical innovation—much less the "entire health care system," which includes unregulated and highly innovative and successful medical procedures—depends on the FDA.

Second, not all biologically active substances fall under Shalala's precious approval process. Some "medicines" are not pharmaceuticals but folk wisdom, often eventually backed by experimental science. If I tell you to put ice or cold water on a burn or eat chicken soup and drink hot tea for a cold, I do not need FDA approval. More analogous—given the product's ordinary use—is the old, and in my experience highly effective, Southern folk remedy of putting a paste of tobacco on bee stings. Suggesting that a plant might relieve your symptoms is not the same as prescribing a commercial pharmaceutical. If marijuana had never been made illegal, using it medically as well as recreationally might require no more FDA approval than drinking herbal tea. And since marijuana isn't patentable, no pharmaceutical company would invest in FDA testing, even if it were legal.

Since it isn't legal, Shalala's "approval process" is *not* just the FDA's normal hoops—as bad as they are. (See "The Other Drug War," November 1996.) While there is little doubt that smoking marijuana can relieve glaucoma, chemotherapy-induced nausea, and AIDS-related wasting, it would indeed be nice to have more solid scientific research on the subject. But it's essentially impossible to do efficacy testing on a substance whose very possession is a crime.

That's where the NIH comes in. You can't just, as a scientific matter, decide to investigate whether marijuana might relieve nausea or migraines. If you want to do your research legally, the DEA and National Institute on Drug Abuse will have to approve—and recent history suggests they won't. (Plus, researching the possible medicinal benefits of evil, illicit, politically incorrect substances is not exactly the way to win friends, grants, or tenure.) As a result, there are no ongoing studies. That Shalala, McCaffrey, and Janet Reno spent a press conference pretending otherwise just shows the Clinton administration's endless ability to twist the facts to suit its political spin.

The Arizona and California propositions don't just subvert the drug war by threatening to expose its propaganda. They attack the favorite argument for big, technocratic government: "health and safety." They dare to suggest that health is, for the most part, an individual, private matter; that safety depends on how each person weighs relative dangers; and that knowledge about both is not the sole possession of centralized bureaucrats. The initiatives explode the most beloved premises of paternalistic Progressivism. No wonder the Clintonistas are going crazy. This isn't a battle they can afford to lose.

Information Rage

Rating the TV raters

By Nick Gillespie

Our seemingly interminable national soap opera about the urgent need to "clean up" TV—to make the Mighty Morphin Power Rangers settle disputes with their heads rather than their hands, to make *NYPD Blue*'s Dennis Franz keep his clothes on, to make Beavis and Butt-head stop playing with matches—has entered its final absurdist episode. While the actual program categories proposed by the television industry may change, it is absolutely clear that, in one form or another, "voluntary" TV ratings are here to stay. After all, they are mandated by the same federal legislation that will bring V-chips to new television sets beginning in 1998.

It is similarly clear that the camera-hogging politicians, outraged children's advocacy groups, and tongue-clucking editorial boards who have championed government regulation of television feel that viewers are tasteless boobs desperately in need of expert guidance only they can provide. Such thinking explains the chorus of boos that greeted the television industry's new age-based rating system.

Using the Motion Picture Association of America's movie ratings as a guide, an industry commission led by MPAA head Jack Valenti created six categories: TV-Y (appropriate for all children), TV-Y7 (unsuitable for kids under seven), TV-G (general audiences), TV-PG (parental guidance suggested), TV-14 (may be unsuitable for children under 14), and TV-M (mature audiences only). Broadcast and cable networks will be responsible for rating whatever they choose to air, with only news and sports programming exempt. These ratings will be used in conjunction with the V-chip when it becomes commercially available.

Critics claim that an age-based system, rather than a content-based one that explicitly rates shows on sex, violence, and language, lacks the truly meaningful information that will best let viewers bypass shows sight unseen. Hence, Rep. James Moran (D-Va.) rips the ratings as "a toothless system that tells parents nothing about whether a show contains violence, sexual content or profanity."

"The industry plan...offers even less information than [some] cable programmers...already provide," opines *USA Today*. "There's no reason why this information can't be made available," declares Tim Collings of Canada's Simon Fraser University and the creator of the V-chip. (Ironically, Canada's own content-based system has been pulled as unworkable and unreliable in rating the 600,000 or so programs Hollywood produces in a given year.)

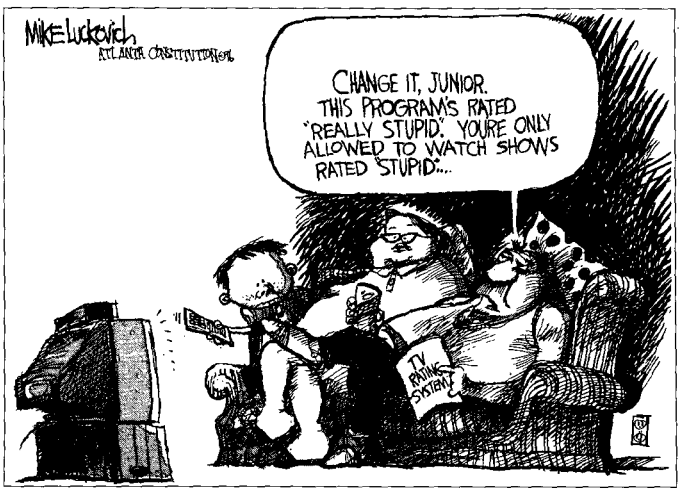
The charge that TV shows are unknown quantities rings as true as the dialogue on *Baywatch*. Widely promoted both in print and on screen, and summarized routinely in daily listings, television programs are probably the most honestly and openly advertised commodity in the American marketplace. No one tunes to *Family Matters* and expects a panel discussion about kinship relations (for those who do, the theme song should clear up any confusion). Viewers are not surprised when the fighting starts on *Walker: Texas Ranger* (Chuck Norris's reputation as a karate champ and action star precedes him). The Three Stooges did not suddenly turn to violence in the 1990s.

If anything, TV programs suffer from a complete lack of mystery. They draw audiences by delivering what viewers expect and demand, not by fooling or hoodwinking them. *Unsolved Mysteries* is, in the end, absolutely predictable. To suggest that what TV viewers need is *more* information about the shows they choose to watch is really to attack the choices themselves.

Such misdirection is of a piece with a crusade that has consistently spoken in an Orwellian dialect. The language games go beyond substituting "voluntary" for "mandatory." They extend to the basic fact that the link between watching television and engaging in violent or sexual behavior is far from clear. Indeed, the authors of *The UCLA Violence Monitoring Report* and *The National Television Violence Study*, two government-initiated "voluntary" tallies of prime-time programming widely cited as proving the need for regulation, readily acknowledged the point.

The misdirection extends to the ultimate goal of the crusaders: Far from being dedicated to the proper labeling of TV violence, sexual situations, and adult language, they want to change the sorts of things that get broadcast—and are absolutely committed to using government muscle, rather than market forces or moral suasion, to get their way. Occasionally, the do-gooders admit this. As Attorney General Janet Reno bluntly put it in 1993, if the entertainment biz didn't reduce the violence on TV—"voluntarily," of course—"government action will be imperative."

Overall, though, moments of clarity are rare in the effort to make the small screen safe as milk. Instead, we are treated to a relentless rage for "information" that, in seeking to overturn age-based ratings, treats us all as children. And the TV crusaders, in turn, fill the role of stern parents bellowing orders at truculent teenagers refusing to do as they are told. In life, of course, children eventually leave their parents and live, for better or worse, by their own wits. If the crusaders get their way, however, no such plot development will happen in TV land.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TV RATINGS SYSTEM

MIKE LUCKOVICH

Airbags and Gasbags

Airbags aren't much of a risk—but it's one we should be free to choose.

By Brian Doherty

"If it saves one life, it's worth it" is the mantra of the modern-day regulatory safety maven. That's a powerful phrase, with resonance for anyone who values human life. It has proved an effective totem to keep cost-benefit analysis of safety regulations at bay.

The automobile airbag—a legally mandated safety device since 1991—demonstrably saves human lives. The National Highway Traffic Safety Administration counts 1,136 saved by airbags from 1989 to 1995. The lives saved per year keeps rising as more and more people drive post-1991 cars.

But the airbag demonstrably ends human lives as well—disproportionately, the lives of children. Around 51 people are known to have been killed by airbags since 1990, about 31 of them children. As more people drive post-1991 vehicles, that grim toll is sure to rise. By the year 2000, *Automotive News* reports, we can expect one child a week to be killed by airbags.

The airbag is not a gentle pillow billowing from the dash to cradle a passenger to safety in horrific high-speed collisions. It's propelled at speeds of up to 200 mph. In typical circumstances, the bag merely bruises an adult, while keeping him from bashing against the dash or flying through the windshield. But an airbag sometimes activates in bumps at such usually less-than-fatal speeds of 10 mph or less. Most of those dead children were in minor accidents that hurt no one but that child.

The reason the airbag deploys with such force is telling: The government requires the bags to have enough force to protect someone not wearing a seat belt, who would presumedly be shot toward the dashboard at greater speed. To save the lives of people ignoring basic and universally known safety advice, the government mandated a system dangerous to innocent children whose parents didn't know— 80 percent don't, according to a recent poll—that children under 12 should never be in the front seat of a car with airbags.

Now the government and the safety gasbags responsible for making one, society-wide cost-benefit analysis for everyone are admitting what they knew all along but wouldn't tell the rest of us: Airbags are not an unmitigated good. The dangers of airbags to children were brought up again and again by automakers as long ago as 1969. And in October 1991, NHTSA acknowledged at a meeting with auto execs that it was "aware of one-half dozen or so cases in which it is believed that the airbag caused...death"—even at crashes below 10 mph.

But according to a NHTSA memo reported in *The Washington Post*, NHTSA decided that announcing this "could cause a lot of harm to the public's positive perception [of] airbags." NHTSA waited until November 1995 to publicly acknowledge that airbags could kill as well as save.

REASON Science Correspondent Michael Fumento recently wrote a newspaper column on airbags, casting his usual jaundiced eye at risks hyped by an alarmist media. He explained, accurately, that despite the recent frightening newspaper anecdotes, airbags are much more likely to save someone than kill them—that the risk of being killed by an airbag is one of the tiniest an American child has to face.

But some children do die from the bags. And many parents have made the judgment that, however minuscule the risk may be, they ought to have more power to control it. They have attempted to get the airbags disabled or removed. The government at first prohibited that choice. In response to media furor, *not* any new data, regulators will now allow such deactivation at customers' requests—but, fearing lawsuits, many car dealers won't do it.

America's lawsuit mania stems from the same dangerous cultural quirk that demands regulatory safety measures at the expense of free choice and freely chosen risk. Propelling oneself around at high speeds in very heavy steel hulks with thousands of other unpredictable people doing the same all around you is inherently risky. Thousands of people die on the road every year, and for what? If saving one life is worth it, why drive? We drive because we value two things that regulatory mavens tend to discount: convenience and freedom. Convenience is not much at stake in the airbag controversy. But freedom is.

The risk represented by airbags is certainly very small. But each individual should be able to choose how to judge that risk—not have it decided for them by a government that responds more to media fashion than to science and is happy to hide inconvenient facts to protect its agenda. Government regulators have punted on their main obligation—to be honest and accurate about risks. Now that airbag glasnost is leaking through, no new regulations should be promulgated. Car buyers and car makers, between themselves, should be able to make their own relevant cost-benefit choices.

Deaths from airbags are few. But even one death caused by government dictating what risks we can take is too many.

REASON NEWS

■ Prop. 215 isn't the only ballot initiative the Clinton administration has vowed to overturn. It has also gone after Prop. 209, the California Civil Rights Initiative. REASON's Web site (www.reasonmag.com) now features bulletins on the legal battle in defense of Prop. 209, filed as developments warrant by Reason Foundation Trustee Manny Klausner, one of the legal advisers on the case.

■ After five years as REASON's Washington editor, Rick Henderson returns to Los Angeles to become managing editor and enjoy the sunshine. In March, Michael Lynch, currently with the Pacific Research Institute in San Francisco, becomes Washington editor. Michael's most recent article for REASON was "After Affirmative Action," published in our November 1996 edition.

■ REASON is accepting applications for its 1997 Burton C. Gray Memorial Internship. The intern works 10 weeks in our Los Angeles office and receives housing, a stipend of $1,800, and up to $400 in travel expenses. The job includes reporting and writing for REASON; proofreading; helping with research; and other magazine-related tasks. To apply, send your résumé, up to five writing samples, and a cover letter to: Rick Henderson, REASON, 3415 S. Sepulveda Blvd., Suite 400, Los Angeles, CA 90034-6064. **The deadline is March 10, 1997.**

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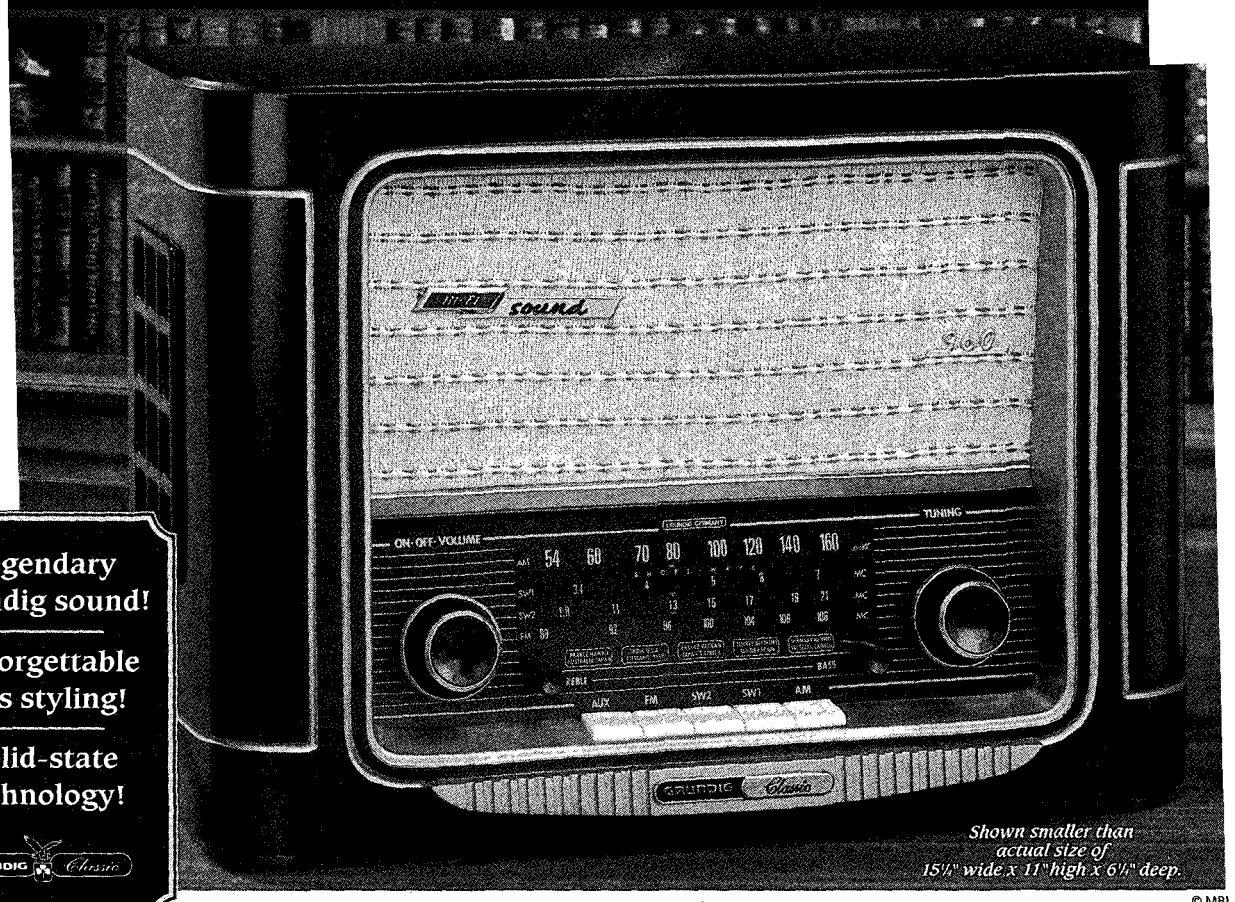
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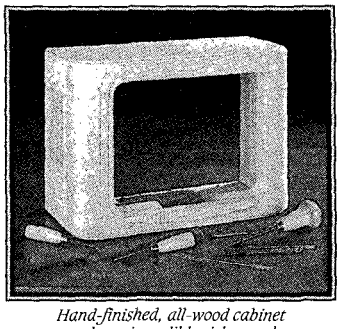

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Why Fishermen Fear the Coast Guard
By Mick Kronman
Learning to Love Price Gouging
By John Hood

Mangled Care?

I was surprised by the editorial "Medical Meddling" in the December REASON. I am shocked that Virginia Postrel would even suggest that managed (rationed) care has anything to do with the market. Indeed, were it not for a discriminatory tax code favoring employers rather than employees, managed care would not exist. Managed (rationed) care is therefore a creation of the federal government, not a market phenomenon.

When an employer, rather than an employee, makes the decision regarding a health plan, the veterinary ethic of medical care replaces the Hippocratic ethic. In fact the only difference between managed (rationed) care and veterinary medicine is that the owner of the poodle loves the animal.

Organizations such as the American Medical Association are guilty, as Postrel charges, of lobbying for non–market-based health care funding schemes. The Association of American Physicians and Surgeons favors medical savings accounts (not mentioned in Postrel's editorial) as a way to put the purchasing power in the hands of the person to receive the medical product/service.

I do not blame the managed-care companies for seizing the day and profiting from a discriminatory tax code—the feds deserve all the blame. I do not, however, pity those same companies for suffering from the regulation, litigation, and red tape that comes with any deal made with Leviathan.

G. Keith Smith, M.D.
Edmond, OK

It is distressing to see how little understanding REASON has for free markets in medicine. Virginia Postrel states that managed-care plans have to find ways to encourage quality lest they lose their customers. Wrong. The customer for managed-care plans are employer benefits managers, whose first and only concern is price. To restore a free market in medicine, the consumer and customer need once again to become one and the same —the patient—and the patient needs the right to fire his insurer, without incurring a huge tax penalty.

Fee for service is not necessarily a "system with strong incentives to overtreat and overtest." The incentives come from third-party payment. Patients spending their own money have the incentive to be prudent consumers. When medical care was mostly paid for by patients, the hospital bill for an appendectomy was the equivalent of 10 days' wages for a common laborer ($149 in 1960). Now it's at least a couple months of take-home pay for a middle-income person (about $3,000). They still do the procedure the same way, and the patient is generally home faster.

The opposite of communism is not fascism. What we need is patient-purchased, patient-owned, catastrophic insurance, with most bills paid directly by the patient, possibly via a medical savings account. The answer to the question about who should be favored, the insurer or the doctor and the hospital, is none of the above. Medicine is for the benefit of the sick.

Jane M. Orient, M.D.
Executive Director
Association of American Physicians and Surgeons Inc.
Tucson, AZ

In her defense of managed care Virginia Postrel makes an unfortunately common error—she mistakes the ostensibly private nature of an industry as proof of its free market nature.

Managed care was only a minuscule part of the health care system prior to World War II and would likely be so now if not for the tremendous distortions in the medical market brought about by the actions of government. Most important, the tax code promotes employer-provided, first-dollar coverage. Employees believe that they are spending somebody else's health care dollar, which leads to health care inflation through poor consumer discipline and lack of consumer pressure on providers. The government's provision of similar first-dollar coverage through Medicare and Medicaid leads to the same end.

The result is that employers or the government are the real consumers of health care, not patients. The resulting health care inflation has generated a move to ration care through managed care and various public sector rationing mechanisms. Managed care is further favored by a variety of governmental policies such as an only recently expired law mandating an HMO option for employees in businesses offering health care coverage, relaxed antitrust provisions for managed care, and direct government subsidization of private managed care companies through lucrative contracts with Medicare and Medicaid.

Would managed care survive in a true free market? Perhaps. I would have no qualms with it if it did. However, we'll never know the answer until we repeal government's unfortunate control over our medical system.

Mark Schiller, M.D.
San Francisco, CA

Virginia Postrel replies: It's interesting that none of the physicians accusing me of heresy criticize the trend that

Communicate with REASON

We appreciate your letters, typed double-space and limited to 200 words. Letters sent to REASON will be considered for publication (unless otherwise noted) and may be subject to abridgment or editorial comment. Letters may be sent to EdReason@aol.com or mailed to:
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prompted my editorial: the passage of state and federal laws interfering with the rights of managed care organizations to freely contract with physicians, patients, and insurance buyers. Too often, support for freedom of contract goes right out the window when the contracts in question affect one's own profession.

Space limitations preclude a rehearsal of the enormous and often complex economic literature on health care markets. But a few points are worth noting. First, contrary to Dr. Smith's assertion, health care markets, while distorted by the tax code, are in fact markets. What matters most is competition, and there is plenty of that. Doctors compete for patients. Insurance providers, including managed care organizations, compete for customers and physicians. And, believe it or not, employers compete for employees. Anyone who actually hires people knows that one of the first questions a prospective employee asks after a salary offer is, "What sort of health insurance do you offer?" It is not the case, as Dr. Orient suggests, that employers can just stick employees with lousy health care benefits and never pay the consequences. Her class-warfare story of evil managers and downtrodden workers doesn't wash. Even Dr. Schiller's thoughtful letter, with which I largely agree, ignores the very important effects of competition. It is not exactly accurate that "employers... are the real consumers of health care, not patients." Employers who want to keep their employees—and most do—have strong incentives to act as reliable agents for their interests, and company benefits specialists may actually have better information about health care plans than workers could gather individually.

Second, in a competitive context, "rationing" is another word for trade-offs. We make them every day in every kind of market. Physicians may wish they could have a blank check to get paid for every possibly beneficial procedure, but as long as someone is paying the bill, that someone will impose limits. Medical savings accounts, if they work as advertised, would encourage patients to consume *less* in medical services—to self-ration. Dr. Orient argues that this check would prevent the extremely well-documented overtesting and unnecessary surgeries associated with fee-for-service medicine. Certainly, direct payment would have some effect. But who pays is not the only issue. Patients don't have as much medical knowledge as physicians, on whom they must rely to recommend treatments, and physicians are not immune from economic incentives. This doesn't mean that they deliberately overprescribe, only that they do not scrutinize costs as carefully as they might otherwise. Back in Dr. Orient's good old days, to take a famous example, there were an awful lot of unnecessary hysterectomies.

Third, there is considerable evidence that patients want both first-dollar coverage (hence, for instance, the large market for "Medi-Gap" insurance) and someone else's expertise in helping them buy health coverage. The model that says that in an undistorted "free market" everyone must buy his or her own personal insurance and only in large-dollar "catastrophic" form is dictatorial. It ignores the advantages of specialization—I might very well want my employer, or some other group I trust, to act as my agent in dealing with health insurance—and it pretends that everyone has the same risk preferences. Why exactly is catastrophic coverage the only acceptable kind? The life insurance market is diverse, as is the mutual fund market or, for that matter, the haircut market. The notion that health care must be delivered in only one form may suit the tastes of some physicians, but it ignores their patients.

Trying to redistort the health care market, through new tax gimmicks or regulations on managed care practice and contracts, is tempting for physicians who would prefer to practice fee-for-service medicine. It is not, however, good policy. Dr. Schiller's prescription is correct: Our policy goal should be to remove distortions, not to dictate the shape of health care delivery. As he suggests, we don't know what medicine would look like in an undistorted market. But it might very well include managed care.

Smog Test

While it is true, as Lynn Scarlett writes in "Smogged Down" (December), that California's new state smog law says nothing

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about crushing cars, it *does* refuse to license cars that don't pass the new test, and local government ordinances mandate towing and crushing cars that are not licensed. Ignoring this fact is hardly telling the whole story.

The real problem with California's smog law is that it is not aimed primarily at cutting pollution. Two points: Older cars that add a catalytic converter in order to meet clean air standards fail the smog inspection because the converter is not "original equipment." This makes no sense if reducing air pollution is the real goal. Further, the pollution credits from older cars taken off the road are sold to fixed-point sources like oil refineries or generating plants. But the car owner does not get the money, variously estimated at $5,000 to $14,000. The state says they may pay car owners $500 or so for confiscated cars, but if owners were allowed to sell credits directly, they could buy a newer and non-polluting car. This would solve the problem of poor folks losing their cars, but it wouldn't force anyone onto public transit, and many Californians are coming to believe that this is the real purpose of Smog Check II. Tell your reporter to dig a little deeper.

Earl Aagaard
eaagaard@puc.edu

Lynn Scarlett's interesting report "Smogged Down" inadvertently highlights the impossibility of wedding the environmental movement's ideals with a commitment to individual liberty. Scarlett says that California's new smog check program is "what happens when the public gets what it wants," citing as evidence a Gallup poll that showed 62 percent of respondents willing to risk economic growth to achieve greater environmental protection. This led me to wonder who "the public" is. Is not the other 38 percent part of the public? Did they get what they wanted? Asking this question focuses attention on what is missing in Scarlett's article. There is no presumption in favor of individual liberty and rights, and thus no discussion of the fundamental issue regarding air pollution: Do current levels of air pollution constitute a public health crisis so grave that the state (federal, state, or local) is sanctioned in using its police power against each and every one of its citizens, in what amounts to a search and seizure of private property?

A number of remarks in this article, e.g., that automobiles are "the last targets from which significant additional reductions...can be wrung," clearly indicate that the answer to that question is *no*. It is arguable whether air pollution was ever a serious enough problem for such police action; the burden of argument long ago shifted to those who claim that it is. What the Reason Foundation ought to bring to this issue is a principled insistence that all recommendations for further improvements in air quality meet one simple test: They do not violate individual rights.

James G. Lennox
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jglennox@vms.cis.pitt.edu

Lynn Scarlett replies: The tension Mr. Lennox perceives in "Smogged Down" between individual liberty and air quality is not inadvertent: That tension is at the heart of the dilemma facing those concerned about individual freedom and air pollution. Individual liberty includes freedom to travel, but use of automobiles carries with it personal responsibility not to harm others, and that includes a responsibility not to pollute.

Regrettably, unlike so many things we value as individuals, it is not possible for Mr. Lennox to enjoy his preferred clean air standard, while his neighbor enjoys a different air quality. The nature of outdoor air quality is such that some sort of "collective" goal needs to be tolerated by individuals who may have very different personal values.

In an ideal world, individuals could choose their own personal air-quality standard and then make decisions about how much clean air they would choose to buy. Unfortunately, nature does not cooperate with this ideal world. Individuals must share one air quality in individual air basins. This, of course, raises a fundamental dilemma: Who should decide what that shared level of air quality will be? Who should decide how clean is clean enough? Even pushing air-quality decisions to the local level does not obviate the need for developing some way of determining what the shared air quality will be. Under such a situation, some people will always feel that the ultimate choice results in air that is too clean; others will feel the resulting air is still too dirty. Mr. Lennox argues that no air quality program should violate individual rights. Yet holding individuals responsible for the pollution they cause seems not only compatible with but an essential component of a society of free and responsible individuals. With respect to automobiles, the real challenge is how to maintain that responsibility without encroaching on people's automobility and freedom to make choices about where they live and travel. Given the "collective" nature of air quality, this is no simple task.

Beyond these fundamental challenges, the Smog Check II debate mostly involves either implementation details that are largely remediable or misconceptions about the program. For example, the program does not allow for confiscation and involuntary scrapping of vehicles, which would be reprehensible. Moreover, in contrast to what Mr. Aargaard asserts, the program is designed to avoid situations in which people are unable to register their vehicles because of failure to pass the test. The program includes a one-year repair extension, so that motorists can make some initial repairs that bring their cars below the gross-polluter category and then take up to a year to make additional repairs that bring the car into the "passing" category. Other provisions allow for two-year waivers from the program under certain circumstances. To date, few motorists have indicated an inability to pay for vehicle repairs so that their cars will not be gross polluters.

The tradeable permit program that Mr. Aargaard mentions is not part of Smog Check II. It is an entirely separate program, one that I was not addressing. The idea that motorists might sell pollution reduction credits directly to manufacturers is an interesting one. However, I might add that in the experimental scrappage programs conducted in Southern California, the participating motorists generally view the opportunity to sell their vehicles for $400 or $500 as a benefit; these cars were typically not worth that sum on the open market.

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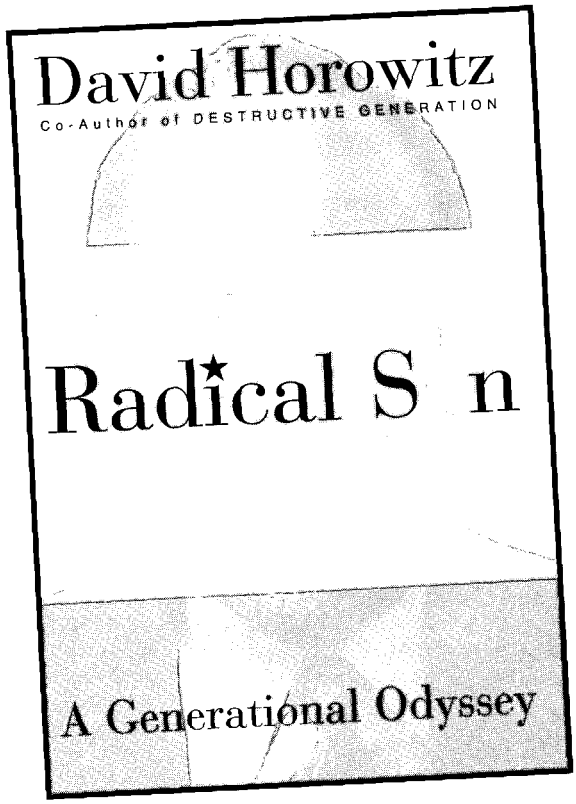
*George Gilder



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David Horowitz is the bestselling co-author of *The Rockefellers* and *The Kennedys*, president of the Center for the Study of Popular Culture, and editor of *Heterodoxy*.

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The Truth Is Out There?

By Rick Henderson

Does eccentric director Tim Burton harbor subversive views about the Food and Drug Administration? In Burton's alien-invasion spoof *Mars Attacks!*, the smug "aliens are our friends" scientist played by Pierce Brosnan is none other than Dr. D. Kessler. The D stands for Donald, but someone at the *Los Angeles Times* got the subliminal hint. The paper's review renamed the Brosnan character David. With a chuckle, reviewer Kenneth Turan says he "has no idea how that got in there."

WARNER BROS.

Corporate Welfare Reform

By Ed Carson

Another "strange bedfellows" coalition that includes House Budget Committee Chairman John Kasich (R-Ohio) and socialist Bernie Sanders (I-Vt.) has banded together to kill a high-profile example of corporate welfare.

Their target is the Overseas Private Investment Corporation, which gives loans and "political risk insurance" to U.S. businesses that invest in potentially unstable countries. Its beneficiaries include such large companies as Coca-Cola, McDonald's, and US West.

Congressional opponents believe the federal government has no business promoting major corporations overseas. Free market critics say these activities should be left up to the private sector. If private companies won't insure or make loans for some of the investments that OPIC currently backs, then perhaps those ventures were too risky to begin with. Sanders and others on the left argue that OPIC is, in effect, exporting jobs.

OPIC's supporters tell a different story. They say OPIC expands trade and creates jobs for Americans. And, far from being a burden to taxpayers, they assert, the program boasted a profit of $209 million last year, money that helps shrink the deficit.

But critics say backing corporate investments in Third World countries with the full faith and credit of the U.S. government is not only corporate welfare, but a serious potential liability. If, say, Russia's economy or political system imploded, taxpayers could be out billions of dollars. "Taxpayers are being exposed, much like the S&L crisis," says Tom Sheehy, a staffer with Rep. Ed Royce (R-Calif.).

Another Hill staffer notes that two-thirds of OPIC's "profit" is actually interest payments from the Treasury. And when Congress authorizes a spending figure for discretionary spending, OPIC's income is included as a negative spending item. "The net effect [of OPIC] is higher discretionary spending, not lower deficits," says the staffer.

Both sides predict a big battle this year over renewing OPIC's authorization, which expires in June. Opponents won a major victory last September, when the House voted down 260–157 a proposal to double OPIC's insurance authority to $25 billion and its financing authority to $20 billion. However, they admit that they caught OPIC's backers napping—something that won't happen again.

Balance Sheet

By Rick Henderson

ASSETS

△ **Yankee Clipper.** Massachusetts Gov. William Weld becomes the first Bay State chief executive to slice the commonwealth's regulatory code. Weld eliminates or streamlines nearly half the 1,600 regulations his administration had issued. And he plans to cut or roll back at least 70 percent of the ones he inherited. Any new government rules must pass a tough cost-benefit test before going on the books.

△ **Coase Call?** Nobel laureate economist Ronald Coase's revelations about private British lighthouses demonstrated that the private sector can profitably provide "public goods." (See "Looking for Results," Jan.) Northampton County, Pennsylvania, may take the lighthouse example further. It pays SHL, an MCI subsidiary, to build and operate the nation's first privatized 911 emergency call system. SHL will get $42.8 million over 10 years to set up equipment and hire operators and dispatchers.

△ **Package Deal.** Reality (as in consumer demand) mugs green central planners. Ontario, Canada, may alter or scrap its mandate forcing 30 percent of beer and sodas to be sold in refillable bottles. Why? Only about 2 percent of the bottles actually get back to a recycling center. Writes *Governing* environmental columnist Tom Arrandale, "Ontario's experience suggests there's only so much governments really can or should do to influence the packaging choices that manufacturers and consumers make every day."

△ **Gender Equity.** Female entrepreneurs match their male counterparts in an important measure: access to bank credit. A National Foundation for Women Business Owners survey finds that 46 percent of female entrepreneurs have bank loans or credit lines, compared with 49 percent of males. Women also rely less on credit cards to raise capital—only 23 percent used credit cards as a capital source in 1996, down from 52 percent four years earlier.

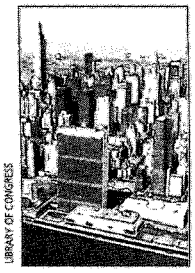
No Sale

By Jeff A. Taylor

A Treasury Department report on taxing cyberspace may have killed off any chance that a broad-based consumption tax will replace the income tax any time soon.

The November report stated the Treasury did not intend to explore special taxes on Internet commerce, which is still just a trickle. Even though only 10 percent of the 129 million Americans online have purchased something online, Microsoft, AOL, and even stodgy IBM are betting the best way to wring money from the Web is to turn it into a point-and-click QVC. As a result, observers project that electronic commerce in the United States will top $70 billion by 2000.

"We absolutely reject the idea that the Internet is some



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▼ **Crash Landing.** Going to the Big Apple? Consider driving: New York is running out of air traffic controllers. Congress has budgeted money for 335 controllers and boosted their salaries to $80,000. But only 281 controllers are left after 27 experienced controllers took early retirement. And traffic at the New York Center has increased by 20 percent since 1995. Another reason to privatize air traffic control.

▼ **House Party.** Bill Clinton continues his relentless campaign to make everyone a federal welfare recipient. The Federal Housing Administration considers raising the amount of money it will lend on a single-family home from $155,250 to almost $215,000. If OK'd by the White House, couples making $82,000 a year could get home loans subsidized (and guaranteed) by taxpayers.

▼ **All Wet.** The Army Corps of Engineers sinks its most user-friendly wetlands program. Every year, nearly 20,000 landowners who wished to alter parcels smaller than 10 acres could dodge many regulations by getting an NWP 26 permit. Bowing to green pressures, however, the Corps phases the program out, saying NWP 26 will cover only projects smaller than three acres. And, for the first time, the Corps claims authority over *any* property development on a presumed wetland, making all landowners potential targets of federal regulators.

▼ **Medisnare.** Bill Clinton's legacy is set: His successful Medi-scare campaign may make sensible entitlement reform impossible. In an autumn survey by Harvard and the Kaiser Family Foundation, 54 percent of adults say they don't want Medicare spending cut even if the program goes broke. Half of Republicans and three-fourths of Democrats say they would pay higher taxes to keep Medicare alive.

LIABILITIES

sort of golden goose whose feathers should be taxed," Deputy Treasury Secretary Lawrence Summers told *The New York Times*. What Summers and, more important, career Treasury officials want is tax neutrality. That means Internet business should be treated the same as other commerce.

And that's where consumption taxes—a favorite policy proposal among some free market advocates—come in. Conforming the existing tax code to the Internet will be hard enough. Imposing a new federal sales tax to replace the income tax could be impossible.

Imposing transaction taxes in cyberspace is tricky. Where on the Internet does a transaction take place? The Interactive Services Association wants the purchaser to always pay. But it is up to the seller to collect the sales taxes.

Some Internet sellers do it for all states, some for a few states, and some only for the state in which they file taxes. At current rates, all under 10 percent, there is some incentive to evade. Imagine the temptation presented by a federal tax of 20 percent or more. And when you consider the probability that e-money sales will be encrypted and anonymous, you have sure-fire tax evasion.

In contrast to retailing, income reporting is still more firmly rooted in paperwork, i.d. numbers, and scriveners —the people who collect the income have to live somewhere. So Treasury has little reason to abandon the income tax just yet. But the day is coming when even a paycheck could be e-money—none of which comes from a U.S. mint.

Gonna Fly Now?

By Brian Doherty

Ari Paparo, a food market researcher from New York, was vacationing in California in early November when his wallet was stolen. A nuisance, but not a crisis. Then Delta, the airline for his return flight from San Diego two days later, insisted he could not, under any circumstances, board the plane without presenting an official photo i.d. It wasn't the airline's fault, agents insisted—it was the law. Official Federal Aviation Administration policy, the word from on high. (Paparo's mother saved the day by faxing a copy of his birth certificate.)

I was told the same thing by a different airline when I had to fly to St. Louis two days after being mugged. I missed my flight because the airline insisted I return home for my passport before being allowed on the plane. I ▶

SOURCES

"Ever wonder whether Members of Congress are sensitive to the dangers of disclosing individuals' Social Security numbers? Check out Page S2546 of the *Congressional Record* (March 20, 1996). On that page begins a list of more than 600 persons nominated for military promotions, along with their Social Security numbers, for anyone to use and abuse." —*Privacy Journal*, December 1996. *Privacy Journal* is a monthly newsletter featuring often ahead-of-the-curve reporting on privacy issues ranging from use of Social Security numbers to computer encryption to credit reports, including updates on the latest privacy action in Congress and the courts. *Privacy Journal*, P.O. Box 28577, Providence RI 02908. A year's subscription is $118.

"The Environmental Protection Agency claims that implementation of proposed revisions to its guidelines for conducting cancer risk assessments would result in risk estimates based on the best available scientific knowledge and encourage development of new, relevant science. In fact, the proposed guidelines represent a setback for public health, science, and the EPA cancer risk assessment process." —Find out why in "EPA's Cancer Risk Guidelines: Guidance to Nowhere," by Michael Gough and Steven Milloy, Cato Institute Policy Analysis No. 263, available on the Web at http://www.cato.org/pubs/pas/pa-263es.html or from the Cato Institute, 1000 Massachusetts Avenue, NW, Washington, DC 20001, (202) 842-0200.

BRICKBATS

◆ In Pakistan, feminists are protesting a recent court decision restricting women's ability to marry. The court has said that Islamic law requires that a woman, regardless of age, needs the permission of a male guardian to marry. Any marriages lacking such permission are legally invalid.

◆ In China, kids snap up 180,000 copies of *Mickey Mouse* magazine each month. This has the government worried. It's determined to stop "the unchecked spread of foreign comics." So the Chinese government is producing a series of comics that uphold traditional Chinese values. One comic book depicts the life of anti-opium crusader Lin Zexu. Another tells the life story of poet Li Bai. No word on whether that comic told kids that Li, who was one of the nation's most revered poets, was also a drunkard who drowned, inebriated, in a stream.

◆ The Justice Department has filed suit against the nation's largest architecture firm, Ellerbe Beckett of Minneapolis, under the Americans with Disabilities Act. It accuses the firm of designing sports arenas where the lines of sight from the handicapped seats just aren't as good as those of the other seats.

◆ Have allergies? Then you might want to move to Albuquerque. That city wants to stop the production of nasty pollen, so it has banned cypress, mulberry, elm, and male juniper trees. The prohibition becomes law later this year. A person can then get slapped with a $500 fine for planting, growing, importing, or selling such▶

Henry Payne

KING BILL! THE COLONY OF CALIFORNIA HAS OUTLAWED HIRING DISCRIMINATION!
SEND IN THE JUSTICE DEPT.!
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quickly accepted the airline's excuse—the incipient totalitarianism of being required to show papers before traveling seemed in keeping with anti-terrorist hysteria.

But it turns out the government isn't entirely to blame. The FAA, in fact, insists specifically that it does not require airlines to deny entrance to people without i.d., though a secret security directive (now the subject of more than one Freedom of Information Act request) does apparently make airlines ask for one. The airlines love the policy, as it enables them to spot passengers illicitly using other people's frequent flyer miles.

The FAA is also probably happy with the airlines' apparent misrepresentation of the law, says Robert Ellis Smith, editor of the *Privacy Journal* newsletter. It avoids the constitutional difficulties that would arise if the government itself required the i.d., while accomplishing the same result.

Those constitutional difficulties may become a legal matter soon anyway. John Gilmore, a San Francisco software designer who ran afoul of airline i.d. policies, is contemplating a legal challenge to their constitutionality. Gilmore is a board member of the Electronic Frontier Foundation, an organization concerned with electronic privacy. The legal challenge would be based on an '80s Supreme Court decision that limits government officials' ability to demand identification. After his first FOIA request was rebuffed, Gilmore's lawyer, Lee Tien of Berkeley, has filed an administrative appeal to see exactly what it is the FAA is demanding of airlines. They are waiting for the results of that appeal before deciding to sue.

"My main interest is protecting the option of people to remain anonymous and travel in the United States without government-issued paperwork," Gilmore says. "I want to avoid, 'May I see your papers, comrade?'"

Fool of Law

By Nick Gillespie

As part of a federal funding bill signed last fall, the government prohibited anyone ever convicted of domestic abuse from owning a gun. To make the law tight as a drum, the government made sure to include misdemeanor offenses—particularly relevant since most such cases are prosecuted as misdemeanors, not felonies.

Ironically, the group most

affected by the law are the nation's 700,000 law-enforcement officers. So far, the new law has forced the reassignment of a few dozen cops around the country to desk duty. If the Justice Department, which has so far relied on voluntary compliance, pushes the matter, analysts estimate that thousands of police officers could be sidelined—if not looking for new careers altogether.

The problem stems from treating police as equal to other citizens under the law. Most gun legislation—such as the Brady law, which among other things, made it illegal for convicted felons to own guns—automatically exempts law-enforcement personnel. Police unions plan to challenge the law on the grounds that it contradicts constitutional guarantees against retroactive laws and that, according to a spokesperson for the National Association of Police Organizations, "It is patently unfair to police officers."

SOUNDBITE

Revelations and Recovery

LOEL POOR

In 1988, David Brudnoy, a longtime libertarian radio personality and frequent contributor to REASON throughout the 1970s and '80s, was diagnosed with AIDS. Brudnoy, who says he contracted the disease through homosexual oral sex, kept his condition to himself, telling only a few close friends. In October 1994, he collapsed, spent two months in the hospital, and reluctantly went public with his HIV status. Brudnoy, whose Boston-based radio program has one of the largest audiences throughout New England, has responded to new drug therapies and continues his life more or less as before: In addition to his five-hour show, he teaches media criticism at Boston University, writes movie reviews, and regularly hits the lecture circuit. He has also created the David Brudnoy Fund for AIDS Research at Massachusetts General Hospital and has written a memoir, *Life Is Not a Rehearsal* (Doubleday), a frank account of his life, career, and politics. Brudnoy recently spoke to REASON over the phone from his Boston home.

Reason: You describe yourself as a conservative-libertarian. What does that mean?

David Brudnoy: Labels are useful. We need them because otherwise we don't know how to seat people at the dinner table. But they're not as precise as I wish they were. If you take Murray Rothbard libertarians on the one hand and people like Bill Buckley on the other, I fall somewhere in between. In general, I'm for free minds and free markets. I think sometimes our friends in the more [rationalist] tradition get a bit forgetful of the cultural impeti that lead people to do things on cultural bases rather than on pure reason bases. Then again, when it comes to some of the more crackpot nonsense on the conservative side, I certainly recoil from that.

Reason: How do you feel about government-sponsored AIDS research?

Brudnoy: My hope is that we would have sufficiently limited government so that it wouldn't occur at all. The fund I created at the Massachusetts General Hospital is specifically targeting corporations and individuals to demonstrate that people, without being taxed, without being forced to do it, will contribute. If someone asks, "Should AIDS be the only disease that isn't funded by the government?", I'd say no. But if someone said I could have my druthers and the government would be cut down to [its proper size], that would be the end of it.

Reason: The gay lobby seems left-liberal. Does it accurately reflect its constituency?

Brudnoy: To people on the left, or among the apolitical masses, it's always a surprise that there are people like me because the mouthier gays are always on the left. There's a very strong cohort of people who are libertarian and homosexual, but such people just don't make noise. If we were to ask gays and lesbians privately, many of them would be far less left-wing than the public spokesmen.

Contributions may be sent to: David Brudnoy Fund for AIDS Research, Development Office, Fruit Street, Boston, MA 02114.

—Nick Gillespie

Shock Therapy for Taxpayers

By Kenneth Green

Want to fry some taxpayers? Take a lesson from the California Air Resources Board electric vehicle program.

First, without ever admitting that you're doing it, pass a regulation that forces automakers to build a car requiring technology that doesn't exist. Second, give lots of taxpayer money to battery makers who promise technologies that they can't produce, and make automakers spend lots more money cramming 70 years of R&D into 15 years. Then, when everybody comes up dry on the new technology, make the automakers dust off century-old electric-car technology, gussy it up with some space-age plastic and computer chips, and foist it on the market as a "revolutionary breakthrough" despite a top speed of 75 mph and a very-best-case range of 80 miles on an overnight charge.

Once you've finally got an electric car—GM's EV-1—limit eligibility to lease it to wealthy environmentalists who own at least one other gas-powered car, earn at least $100,000 a year, and have a garage (and wallet) big enough for a $2,500 wall charger. (By comparison, normal leases of GM cars don't have fixed income requirements, and don't differentially "favor" applicants based on how many other cars they own.) Next, build ▶

BRICKBATS

trees. Actually, experts say that the ban will have little effect on allergies, as people will just get sensitized to other types of pollen.

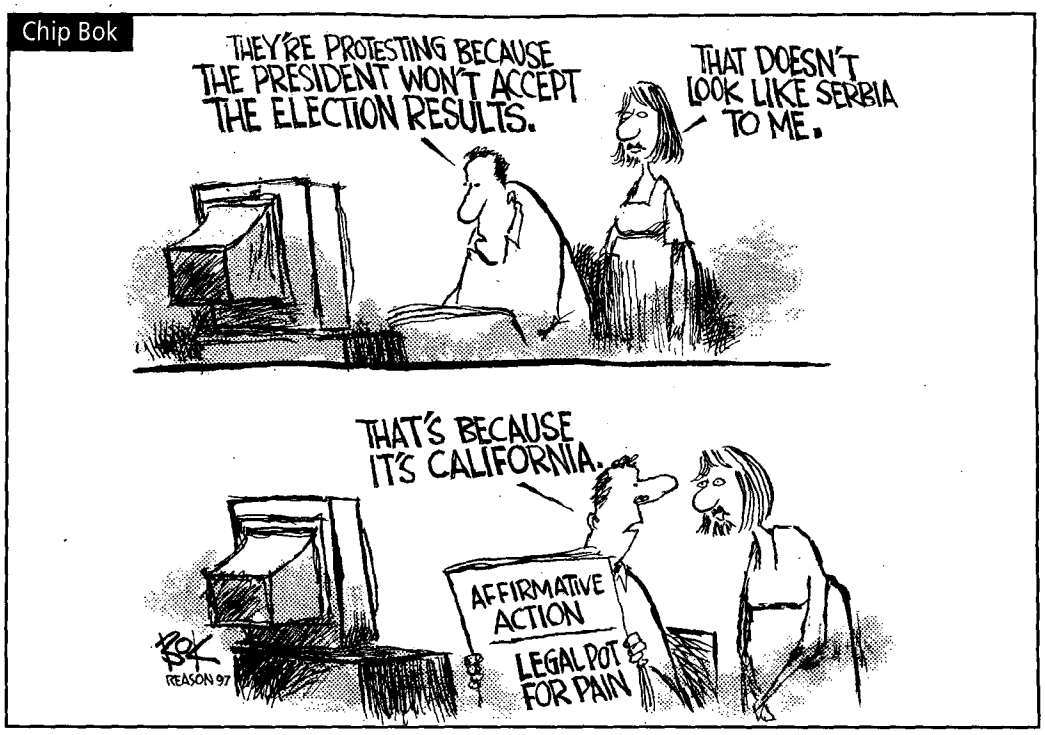
◆ The Clinton administration has set records for spending by the Federal Emergency Management Agency. And no wonder. The agency has helped rebuild some pretty expensive properties. Some $268 million of our tax dollars have gone to replace blown-down trees on golf courses, rebuild yachting marinas, and repair horse trails.

◆ Cora Miller is a Jehovah's Witness. As such, she doesn't celebrate birthday parties. Her religion considers them pagan rituals. She claims that she was fired from a Baltimore Chi-Chi's restaurant after she refused to sing "Happy Birthday" to a customer. Now the Equal Employment Opportunity Commission has taken Chi-Chi's to court for violating the federal Civil Rights Act.

◆ Some of us think that "The Times They Are A-Changin'" is a trite reminder of a time best forgotten. But for others the song apparently brings back fond memories. And those people are upset that the song is being used in ads by a big bank in Canada. Remember folks, your sons and your daughters are beyond your command. And so too is Bob Dylan.

◆ A wag once wrote that democracy is based on the idea that the people know what they need, and they deserve to get it, good and hard. With that in mind, consider the results of a poll of Americans' economic literacy. When asked ▶

Chip Bok


THEY'RE PROTESTING BECAUSE THE PRESIDENT WON'T ACCEPT THE ELECTION RESULTS.
THAT DOESN'T LOOK LIKE SERBIA TO ME.
THAT'S BECAUSE IT'S CALIFORNIA.
AFFIRMATIVE ACTION
LEGAL POT FOR PAIN
REASON 97

a bunch of $20,000 charging stations at taxpayer expense so that Jay Leno and Ed Begley can catch a quick charge on the way to a production meeting. And last but not least, use taxpayer money to subsidize wealthy EV buyers with $8,400 worth of rebates and tax credits to "ease the blow" of the $34,000 price tag.

Zzzzzzzaaaaaappppp! Now you're cooking with electricity!

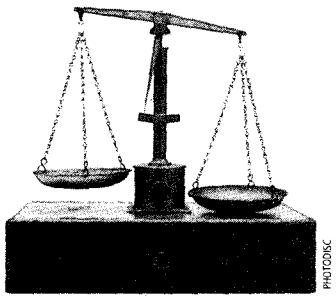
Lawyers, Congress, and Money

By Brian Doherty

The Legal Services Corporation seemed a tempting target for a Republican Congress allegedly dedicated to fiscal probity and limited government. The agency spends federal dollars on activist lawyering, supposedly for the benefit of the poor, and has long been under fire from conservatives. As former LSC Inspector General David Wilkinson wrote in a recent paper from the Capital Research Center, conservatives complain that "LSC funds are improperly used to challenge electoral redistricting plans, represent illegal aliens and drug dealers, and bring class action lawsuits against laws made by elected officials."

Still, despite a plan to phase out federal LSC funding entirely by October 1997, fiscal 1997 funding for LSC ended up at $283 million. This was the same spending as for 1996, and was supported by Republicans as well as Democrats.

Wilkinson argues in his paper "Legal Services for the Poor: Is Federal Support Necessary?" that members of Congress were fooled into believing that federal funds were supplying a vital need that everyone else was ignoring. This is a common problem with what author James Payne calls the "culture of spending": Almost all the information lawmakers get leads them to believe that every government program is absolutely indispensable.



In fact, organizations that the LSC funds get more money from other sources than they do from the LSC. Seventeen states ponied up over $35 million in new money for legal services in the past year and a half. And American lawyers, with no government funds involved, give over five times as many pro bono hours as are provided by staff attorneys for organizations funded by LSC.

The LSC reports to Congress only funding for organizations that receive direct LSC grants. It ignores nonfederal funding for legal services to the poor available from many subgrantees and the more than 1,350 legal ser-

ARTIFACT

DAVID APPLEBY

Ave Evita

The release of the operatic film *Evita*, starring mononamed cultural phenomenon Madonna, raises an interesting question: What does Eva Peron have over Imelda Marcos? Both women, after all, hitched their wagons (and did some of the driving) to strongman dictators with little taste for civil and economic liberties and huge appetites for state planning and repression. So why aren't we witnessing the premier of *Imelda*? "An elusive beauty," wrote *Newsweek*, Eva dressed in couture and appeared "ever stylish." By contrast, Imelda's one widely publicized fashion fetish—shoes, shoes, and more shoes—seems the stuff of, well, a petty dictator's wife.

More important, Eva had the good grace to die young (at age 33 in 1952), leave a good-looking corpse (once stolen for its talismanic powers and now residing in a triple-locked steel vault), and to do so before the mob overran the palace gates (Juan got the boot in 1955 but came back a few years later). Imelda, alas, lingers on in life and as a sitcom punchline. Fashion sense and timing go a long way in smoothing over Realpolitik.

—Nick Gillespie

vice providers that receive no LSC funding at all.

A former LSC president once advised placing information about state funding for legal services for the poor in a "footnote, for budgetary purposes in congressional presentations....I trust Congress won't inquire as to whether local jurisdictions are undertaking some of that responsibility."

Painful Lessons

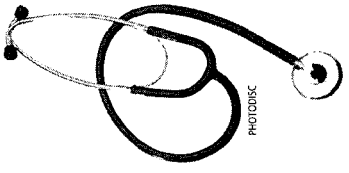
By Jacob Sullum

With the U.S. Supreme Court considering whether terminal patients have a constitutional right to physician-assisted suicide, the American Medical Association remains firmly opposed to the idea. But in December the AMA announced an educational campaign, including national, regional, and local training conferences, aimed at reducing the demand for such extreme measures. Among other things, the conferences will urge doctors to make sure they do all they can to relieve their patients' pain.

That injunction might seem commonsensical—it is, after all, part of the Hippocratic oath—but physicians are often reluctant to prescribe adequate amounts of narcotic painkillers. "Opiophobia" results from unreasonable fears about addiction and not-so-unreasonable fears about attracting attention from state regulators or the Drug Enforcement Administration. (See "No Relief in Sight," January.)

"Many physicians don't understand that not only does a patient have the right to refuse life-sustaining treatment, but he also has the right to receive high doses of morphine to control his pain," Dr. Judith Ahronheim, deputy executive director of Choice in Dying, told the *Chicago Tribune*. "Because these doctors were not trained well in medical school, they really need help now."

JONATHAN NOUROK



PHOTODISC

Dare to Keep Kids Off D.A.R.E.

By Nick Gillespie

Seattle is the latest city to pull the plug on the popular but apparently ineffective Drug Abuse Resistance Education program. (See "Drug Prevention Placebo," March 1995.) Spokane, Washington, and Oakland, California, also recently cancelled the program—as did towns in Colorado, Florida, Massachusetts, and Texas. Explained a Seattle police spokeswoman, "the long-term effects on reducing drug and alcohol abuse [are] unknown and [haven't] been substantiated."

If anything, a scholarly consensus is forming that D.A.R.E. is all flash and no substance. A five-year study by researchers at the University of Kentucky found no significant difference between participants and non-participants when it came to drug use and attitudes. The Research Triangle Institute in North Carolina agrees that the program has no measurable effect on youthful drug abuse.

The news for D.A.R.E. supporters isn't all bad: This year, New York City and Washington, D.C., along with over 250 smaller cities across the country, signed on

BRICKBATS

the unemployment rate, the average answer was 20.6 percent. The real rate at the time of the poll was 5.4 percent. The average guess about inflation was 13.5 percent. The real rate, 2.9 percent. Sixty-one percent of respondents thought unemployment was either higher or the same as it was five years earlier. In fact, it was down by more than a third.

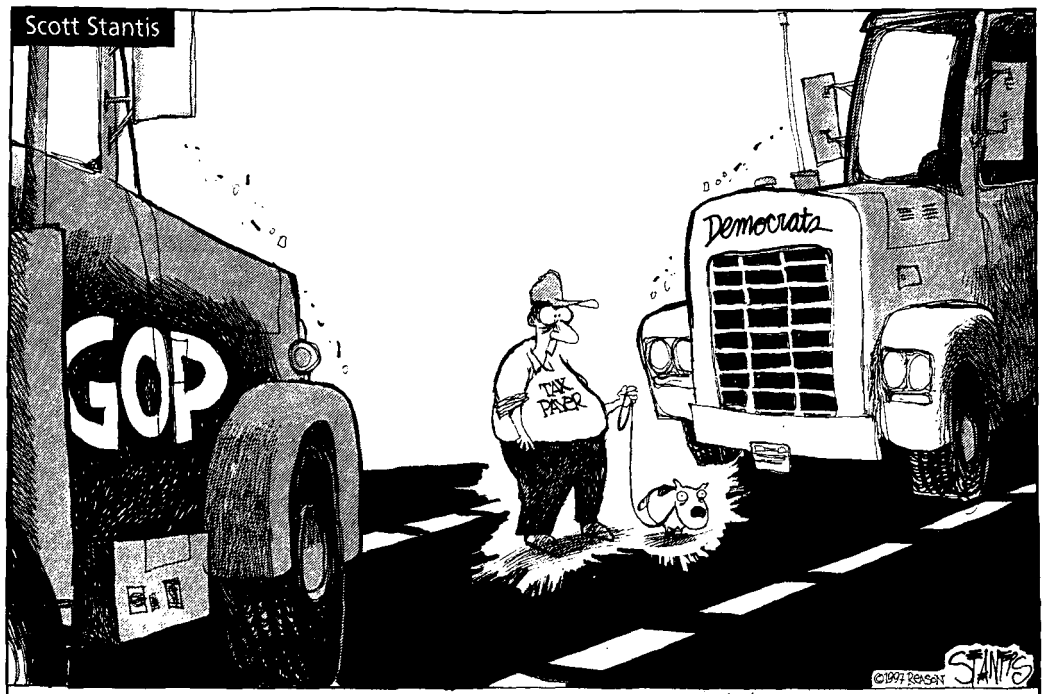
◆ When the candidates for the board of the Soil and Water Conservation District in Volusia County, Florida, didn't get their filings done on time to appear on the ballot, the ballot read, underneath the board's name, to "choose one" and "write in." Thousands of voters cast their ballots for either "soil" or "water." Water beat soil.

—Charles Oliver

QUOTES

"The success of Hong Kong is the freedoms we enjoy. Freedom of every nature—freedom of thought, freedom of movement, freedom of the press, freedom of information, freedom to be creative. They will all be preserved [under Chinese rule]. I cannot emphasize this more."
—C.H. Tung, the new chief executive of Hong Kong installed by the Chinese

"Parents want Hollywood to stop playing Big Brother."
—Rep. Edward J. Markey (D-Mass.), a V-chip advocate, speaking for critics of the industry-proposed TV ratings system



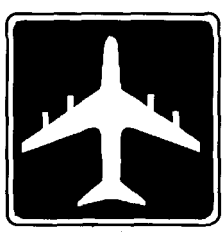
FINDING MIDDLE GROUND

to the program. According to parent organization D.A.R.E. America, about 10,000 cities in 49 countries participate in the program.

Safety That Kills

By Jacob Sullum

We still don't know what brought down TWA Flight 800 last July—lately, investigators have been speculating again about a catastrophic mechanical failure—but that has not stopped the federal government from responding with measures aimed at thwarting terrorism. Immediately after the explosion, President Clinton ordered several changes in airport security procedures and appointed a commission headed by Vice President Al Gore to suggest more. Most of the panel's recommendations were soon implemented by Congress.



As the economist Robert W. Hahn, a resident scholar at the American Enterprise Institute, notes in the Winter 1996 issue of *Regulation*, neither the White House nor Congress gave much thought to the full costs of these measures or the benefits that could reasonably be expected. In addition to the roughly $400 million that Congress has allocated, Hahn counts billions of dollars in expenses. At the standard rates used by the Federal Aviation Administration, delays resulting from the changes already implemented (travelers are supposed to arrive a half-hour earlier) represent something like $9 billion a year. Additional baggage screening devices and full matching of passengers to luggage will cost $4 billion or so. That figure does not include additional delays, which could amount to another $9 billion a year for luggage matching alone.

On the benefit side of the ledger, Hahn makes the generous assumption that the improvements will prevent all sabotage of U.S. airliners—saving, on average, 37 lives a year. Considering only the costs of the security measures already in place, each life saved would cost more than $200 million. By contrast, research indicates that air travelers put an implicit value of $5 million to $15 million on their own lives, while the FAA uses a value of $2.3 million per life saved to assess its regulations. Furthermore, because of delays and higher costs, some travelers who would have flown will instead choose to drive, a riskier mode of transportation. Hahn estimates this shift will result in 60 extra deaths a year, so the security measures will probably lead to a net increase in fatalities.

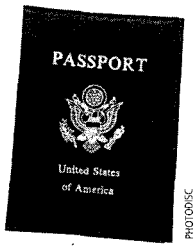
Information Costs

By Brian Doherty

Getting a passport can be a maddening process, as many Americans know. And trying to get information

about the process by phone can be an expensive one. The National Passport Information Center, under the State Department, charges $1.05 a minute for information calls on such matters as the location or hours of passport offices.

Congressman Jim Saxton (R-N.J.) vows to get Congress to vote on a resolution ending this practice in 1997. The practice was defended by the State Department, Saxton said in a press release, for meeting their need for "efficiency and speed."



PHOTODISC

DATA

Federalism Taxes

By Brian Doherty

Not all states—or their citizens—are created equal when it comes to federal taxation. When you compare the per capita amount the federal government takes out of a state in taxes versus how much goes in via federal spending (federal payroll, direct payments to individuals, federal procurement, and grants to state and local governments, among other categories), some states win and others lose.

In fiscal 1995 (the nearest year for which complete data is available), Connecticut and New Jersey citizens were the biggest losers, each getting just 68 cents in federal money back for every dollar paid in taxes. The District of Columbia was the winner by a country mile—$5.26 in federal spending for every dollar of taxes paid. The nearest runner-up was New Mexico, way back at $1.86.

The table lists the five biggest losers and winners in the federal taxation/spending game.

States Getting the Most from Feds per Dollar of Taxes		States Getting the Least from Feds per Dollar of Taxes	
1) District of Columbia*	$5.26	1) Connecticut	$0.68
2) New Mexico	$1.86	New Jersey	$0.68
3) Mississippi	$1.61	3) Illinois	$0.74
4) West Virginia	$1.53	4) New Hampshire	$0.75
5) Virginia	$1.50	5) Minnesota	$0.76

*not technically a state

Source: The Tax Foundation

General Consternation

By Jacob Sullum

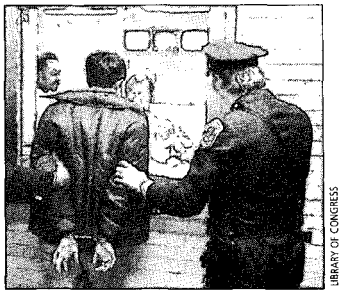
The Norman E. Zinberg Center for Addiction Studies at Harvard Medical School is named after a psychiatrist who rejected both the chemical-compulsion view of addiction and the criminal-justice approach to drug use. Each year the center chooses a drug policy scholar for its Zinberg Lecture Award; previous recipients include the psychiatrists Thomas Szasz, author of *Our Right to Drugs*, and Lester Grinspoon, co-author of *Marihuana: Forbidden Medicine*. Critics of the war on drugs were therefore dismayed by the center's choice for the 1997 Zinberg Lecture Award: Gen. Barry McCaffrey, director of the Office of National Drug Control Policy.

Grinspoon, who resigned his faculty position with the center in protest, said he was not troubled simply by the fact that the drug czar would be a controversial speaker. In a letter to the director of Harvard's Division on Addictions, Grinspoon noted that McCaffrey "is not a scholar but a political appointee....If he is controversial, it is largely for two reasons: his rejection of medical marihuana, which he calls a 'hoax,' and his opposition to needle exchange programs. ...Furthermore, although I once had higher hopes for him, it is clear to me now that he is not even open to discussion of these issues; he refuses to talk to people who take different views. Norman Zinberg would not have wanted a prize named after him awarded to such a person." McCaffrey was scheduled to receive the award on March 7.

Work Release

By Nick Gillespie

In "Factories Behind Bars," a recently released National Center for Policy Analysis study, Morgan O. Reynolds makes the case for letting more prisoners voluntarily work while behind bars. Reynolds, an economist at Texas A&M, argues that greater employment opportunities for prisoners—especially with private firms—would help offset incarceration costs, improve prisoners' quality of life, and make them less likely to end up back in jail.


LIBRARY OF CONGRESS

Currently, due to various state and federal laws that restrict the use of inmate labor, only 44 percent of prisoners work at all, and they almost always do so part-time for no pay in state-run make-work programs.

Reynolds estimates full-time prison workers making the "feasible" wage of $5 an hour would be able to pay about $6,000 a year out of their earnings toward their own costs, significantly reducing taxpayer burdens. As important, Reynolds documents that "prisoners overwhelmingly prefer work to the tedium of prison life"—indeed, there are always long waiting lists for any employment opportunities—and that working inmates behave better both in jail and after.

GULF LORE: SYNDROME

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBIT

"For Some, a Day of Betrayal," ran a headline in Denver's *Rocky Mountain News* the day before Veterans Day. A Persian Gulf vet said to be suffering the effects of the mysterious Gulf War Syndrome (GWS) was profiled, and the story by reporter Dick Foster contained a startling figure: "Cancers have developed in Gulf veterans at three to six times the rate among the general population." That news must have shot around Colorado faster than a Scud missile. Many vets probably spent their Veterans Day searching for lumps, bumps, sores, or anything else that might be a sign of cancer.

Three days later, a study appeared in *The New England Journal of Medicine.* Using the latest data available, it reported the cancer rate of Persian Gulf vets was slightly *below* that of comparable vets who didn't deploy to the Gulf, and far lower than that of the comparable civilian population.

Welcome to the world of Gulf Lore Syndrome. It is a world in which science is replaced by rumor, in which vets are presented as medical experts while real medical experts are ignored. It is a dimension in which authoritative review studies by eminent scientists are scorned and disdainfully labeled "Pentagon studies" because they reach the "wrong" conclusions—even if done by civilian organizations. Yet incredible accounts of such symptoms as skin-blistering semen and glowing vomit are taken as gospel. It is a "reality" constructed by crusading reporters, activists, demagogic congressmen, and, sadly, by Persian Gulf vets who have become convinced they are the victims of a conspiracy deeper and broader than anything on *The X-Files.* The sick vets live in this world of Gulf Lore Syndrome. Until reality is allowed to reach them, they will remain trapped in it.

Why are Gulf War vets getting sick? You won't find out by reading *The New York Times* and *USA Today.*

By Michael Fumento

I have been writing on GWS since 1993, and to the best of my knowledge I was the first writer to say that there is no Gulf War Syndrome in the accepted sense of the term. Since then, studies by some of the most prestigious scientists in the country have backed up that position. The early studies included two by the Department of Defense, one by the National Institutes of Health, and a preliminary report by the Institute of Medicine, an arm of the National Academy of Sciences. All said that the term *Gulf War Syndrome* was a misnomer. All said that the various theories of what might be making Persian Gulf vets sick lacked any scientific basis. And every one of these studies' conclusions bounced off the reporters, the activists, and the sick vets like bullets off an M1 tank.

Some things *have* changed: When I began writing on the topic there were perhaps a hundred news reports about GWS; there are now over 4,000. Back then there were a few thousand Persian Gulf vets who claimed to have the illness; now, depending on who's counting, there are anywhere from 40,000 to more than 100,000. GWS studies continue to appear. The most recent include:

- The final report from the Institute of Medicine, which said in October that there is no "scientific evidence to date demonstrating adverse health consequences linked with [Gulf War] service other than [about 30] documented incidents of leishmaniasis [a parasitical disease caused, in this case, by sand fly bites], combat-related or injury-related mortality or morbidity, and increased risk of psychiatric [problems from] deployment."
- A draft copy of the final report of the Presidential Advisory Committee on Gulf War Veterans' Illnesses (commonly called the PAC), leaked in November to *The New York Times* and *The Washington Post,* which found "no support for the myriad theories proposed as causes of illnesses among Persian Gulf war veterans, or even evidence there is a 'Gulf War Syndrome,'" according to the *Post.*
- The article in the November 14 *New England Journal of Medicine,* which found that Persian Gulf vets had the same death rate from disease as non–Persian Gulf vets, and a much lower rate than the comparable civilian population. An accompanying article looked at hospitalizations, finding Persian Gulf vets and non–Persian Gulf vets hospitalized at the same rate.

Will these findings make any difference? Within days of the PAC draft report's release, President Clinton announced a doubling of the budget to investigate GWS. A few weeks later, he announced that the PAC final report would not be a final one after all, that he was going to keep the committee going albeit perhaps dumping some old members and assigning new ones. Rep. Chris Shays (R-Conn.) called two days of highly publicized hearings to denounce the government and parade one sick soldier after another to testify before his congressional panel, each claiming that his symptoms were beyond doubt the result of GWS. Apparently, science is still reaching the wrong conclusion.

Myths Fit to Print

What pulled me back into the fray was the recent series of revelations concerning the demolition of bunkers at Khamisiyah, Iraq. The unit that blew up those bunkers was the 37th Engineer Battalion (Combat) (Airborne). In May, the Pentagon said U.N. inspectors had found that one of those bunkers and a nearby open pit contained Iraqi rockets marked to indicate a nerve gas called sarin. Thus, while the Pentagon could (and did) continue to say that there had been no offensive use of chemical weapons against U.S. troops, it was now clear that American soldiers had been close enough to exploding chemical weapons to be exposed to them. The 37th was my sister unit when I was in the 27th

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Engineers at Ft. Bragg, a decade earlier. I had lived in the same barracks and worn those same silver wings that mark the Army's proud elite, the paratrooper. I knew these soldiers in ways other reporters did not. What they would tell me in weeks of interviews taught me a great deal about GWS.

I interviewed eight of these men, beginning with former Pfc. Brian Martin. Martin is by far the most prominent 37th Engineer vet, having appeared on *60 Minutes* twice, on *Nightline*, *Geraldo*, *Montel Williams*, and *Tom Snyder*, and having been quoted by news wires, newspapers, and magazines, including the Associated Press, Gannett, *The Detroit News*, *Newsday*, *Playboy*, and one of a series of articles by *The New York Times*'s Philip Shenon. Martin, 33, is also co-president (with his wife) of International Advocacy for Gulf War Syndrome. Being a disabled vet is his life; indeed, his Web page lists his occupation as "disabled veteran," while his e-mail address is "dsveteran."

Martin is quick with a sound bite, such as, "I used to jump out of airplanes and now I can't even jump up and down." Sometimes he walks with a cane; other times he uses a wheelchair. We talked about our old brigade a bit. He explained to me the process of destroying the bunkers at Khamisiyah, and then I asked him to tell me about his symptoms. That was the first hint that something was seriously amiss about Pfc. Martin.

His long list of symptoms included such things as lupus—an autoimmune disease rarely found in men—and "early Alzheimer's." Sensationalist reporters just eat up things like this, but to a medical writer such symptoms were like flapping red flags.

Martin repeatedly referred to his vomit as being "fluorescent" and said these daily vomits lasted from "March 11 to December 31," 1991. Thus, we are dealing with a man who insists both that his vomit glows and that his NCOs and officers heartlessly insisted that he do physical training for 10 months, knowing that "every morning" he would end up in the hospital with IV tubes in his arms.

Then *the* red flag unfurled. Martin told me what he would later tell a congressional panel headed by Shays on September 19, 1996. After returning from the Gulf, he told the panel, "during PT [physical training] I would vomit Chemlite-looking fluids every time I ran; an ambulance would pick me up, putting IVs in both arms, rushing me to Womack Community Hospital. This happened *every* morning after my return from the war." (Emphasis as noted in the official transcript.)

Chemlites are tubes that, when snapped, glow. In two conversations with me, Martin repeatedly referred to his vomit as being "fluorescent" and said these daily vomits lasted from "March 11 to December 31," 1991. Thus, we are dealing with a man who insists both that his vomit glows and that his NCOs and officers heartlessly insisted that he do physical training for 10 months, knowing that "every morning" he would end up in the hospital with IV tubes in his arms.

If Martin volunteered the vomiting story during both of my interviews with him, it's very likely he told it to every other reporter who interviewed him. Yet they all used Martin as a credible witness, omitting this peculiarity from their accounts.

There are two reporters that we know with certainty did this, because they attended the September 19 hearings and wrote about Martin's testimony. One was AP reporter Donna Abu-Nasr. I called her and asked why she didn't mention the glowing vomit remark. "I didn't notice it," she said. Did she think it impugned Martin's credibility? No, she said. "You have to remember he's been on talk shows, and they've written a lot about him." She then said, "Are you going to quote me?" I told her that was my job as a reporter, but I wouldn't if she insisted. Not good enough. "I think that's very dishonest of you," she said, and hung up.

The other reporter who covered the hearing was John Hanchette at Gannett News Service, the chain that owns *USA Today*. Hanchette, a 1980 Pulitzer Prize winner, has probably written more articles on GWS—over 80—than any other single reporter, sometimes alone and sometimes with Norm Brewer. Given his reputation and sheer volume, he's certainly had a big impact on the perception of GWS. The titles of his stories show his slant: "Active-Duty Soldiers Tear into Pentagon Over Gulf Syndrome"; "Are Gulf Veterans Getting Needed Treatment?"; "Several Gulf Units Plagued by Unusually High Illness Rate"; "White House Panel: Pentagon Can't Be Trusted in Persian Gulf War Syndrome Probe"; "Persian Gulf Illnesses—the Lingering War"; "Gulf War Parents with Birth Defect Children: All They Want Are Answers."

In his coverage of Martin's testimony, Hanchette chopped Martin's symptom list down to nine, omitting the glowing vomit. Nor is that all he did.

Rather than merely attributing the laundry list of symptoms to Martin, Hanchette wrote that these symptoms were supported by "federal medical exams," making Martin's symptom list sound far more credible. But I had called Martin's doctors (with numbers Martin provided), and while Department of Veterans Affairs rules prohibit them from talking about any specific patient, I got around this by asking them if *any* of their patients had the various symptoms Martin claimed. Often, the answer was no. Some of the illnesses the doctors said they had not observed in any of their patients—such as lupus—were among those Hanchette listed as confirmed by Martin's "federal medical exams." What exams could Hanchette possibly have been referring to?

I politely called Hanchette four times just to say I wanted to talk about his story. He didn't call back. I called twice more to say that I had reason to believe he had engaged in unethical con-

duct and that I wanted to give him a chance to respond. He still hasn't called back.

So I called Hanchette's editor, Jeffrey Stinson. In defending his reporter, Stinson noted twice that Hanchette was a Pulitzer winner, called my questions "a crock," and said he really couldn't comment further without seeing the relevant material. I faxed over Martin's testimony, Hanchette's write-up, and a list of questions. Stinson's response: "Our stuff is good; it's accurate. You're full of it, pal. Bye." Then he hung up.

60 Minutes of Alarm

Martin always has a good tale to tell. Hanchette and others have reported his claim that 95 percent of the weaponry in the Khamisiyah bunkers was U.S.-made. But such a survey would have been an exhaustive undertaking and hardly the job of the battalion commander's driver, which was what Martin was. Hanchette and others have written about the videotape Martin claims to have shot of the bunker ordnance. Actually, his company commander shot it; Martin's copy was a low-tech dubbing made by aiming his video camera at a TV set as his commander's tape played. But Martin's tallest tale is his claim that after the Khamisiyah bunker exploded and chemical alarms went off, the 37th soldiers did not put on their protective gear. Indeed, said Martin, they didn't even have access to it. That's the version *Newsday*, AP, *The Detroit News*, and others went with. It makes the military look very negligent and supports the allegation that these men were exposed to nerve gas.

Ed Bradley and *60 Minutes* built a whole segment around the allegation, broadcast in August. Bradley is the reporter who kicked off the Alar scare back in 1989 with his completely unfounded claim that the pesticide was "the most potent cancer-causing agent in our food supply." In the August show, Bradley told viewers the chemical weapons expert for the battalion, former Sgt. Dan Topalski, "put his suit on right away. Others did not. He is the only man in this group who is not sick."

Pretty damning stuff—were it true. But there were five other vets from the 37th Engineer Battalion who appeared on that *60 Minutes* broadcast, and each of them told me they and every soldier they saw were at "MOPP 4," meaning fully suited. I also called the battalion executive officer, Maj. Randy Riggins, now retired. Bradley's portrayal "was a total farce," he said.

Riggins added that Martin was "really going over the edge." The enlisted men I interviewed were mostly less charitable to Martin ("He's full of shit," was the most common refrain) though they were all thankful that Martin had drawn attention to GWS.

Ed Bradley even explained *why* the soldiers didn't suit up. "With continued use," he said, the gear "didn't last long, and since there had been so many false alarms, they were running out of suits." The next clip showed Topalski saying the battalion commander had issued "a directive that people would go into a mask-only posture and seek the cover of a tent or poncho liner, and people were not to use their suits unless specifically told to do so."

But Bradley used that quote wildly out of context. Topalski wasn't talking about Khamisiyah, but about Rhafa, Saudi Arabia, where the battalion had been encamped previously. "I had told them [*60 Minutes*] specifically that we were not told that at Khamisiyah, we were told that at Rhafa," Topalski said to me.

Did the vets make it absolutely clear to Bradley that they had put on their protective suits? "When we were talking to Ed Bradley, yes, we did tell him that we went to MOPP 4 when we were at Khamisiyah," former Specialist 4 Dan Cook told me. Former Sgt. Christian Toulious says he also told Liza McGuirk, the producer of the *60 Minutes* segment.

Bradley led his audience to believe all the vets' symptoms began after the Khamisiyah blast. "They're sick," he said, "and so are dozens more from their unit with the same symptoms thousands of other Gulf War veterans have: headaches, stomach ailments, nerve damage." And, said Bradley, "All of these men point to the day it happened, the day they blew up the huge warehouse containing the deadly nerve gas sarin." In fact, several of the vets he interviewed, including Martin, told me they had symptoms months before the Khamisiyah demolition.

And although Bradley said that the suited-up Topalski was "the only man in this group who is not sick," Topalski told me, "I never once told Bradley I was healthy. I said I had a lot of problems, but I said they could be attributable to something else" besides the Khamisiyah blast. The other vets I interviewed confirmed he had said this. He said he also told this to producer McGuirk, three weeks before the show aired. Yet Bradley's false statement was left in.

I called McGuirk, who told me she had no reason to think that Martin wasn't a credible witness. When I told her that some of the other vets claimed she ignored vital information they gave her, she said, "I'm not going to talk to you any further. I'm afraid I have to get off the phone." She hung up. Ed Bradley did not return my calls.

Syndrome Over Science

To doctors, bizarre symptom claims like glowing vomit are a ready indicator that they are dealing with a patient suffering hysteria. "It's an old joke around ER; we ask if people's stools glow in the dark or if their hair hurts," Dr. Scott Kurtzman, assistant professor of surgery at the University of Connecticut School of Medicine, told me. But to the media, such symptoms are the makings of a great story. Kate McKenna's article, "The Curse of Desert Storm," in the March 1996 *Playboy*, didn't mention Brian Martin's vomit but said that he is "often confined to a wheelchair" because of "a *diarrhetic* condition that has damaged his spine." (Emphasis mine.) Perhaps the makers of Kaopectate should advertise that it may be effective in preventing spinal injury.

McKenna and other reporters have also alerted us to the claim by Persian Gulf vets' wives (including Kimberly Martin) that their husbands' semen is burning and blistering them. "Shooting fire," they call it. *Life* magazine mentioned it in a cover article about vets' kids ("The Tiny Victims of Desert Storm"), later a finalist for a National Magazine Award. Hanchette and Brewer at Gannett built a whole article around it, declaring, "Sometimes the semen causes blisters, rashes and itching on exterior skin." They didn't write that somebody reported such an occurrence;

they just stated it as a fact.

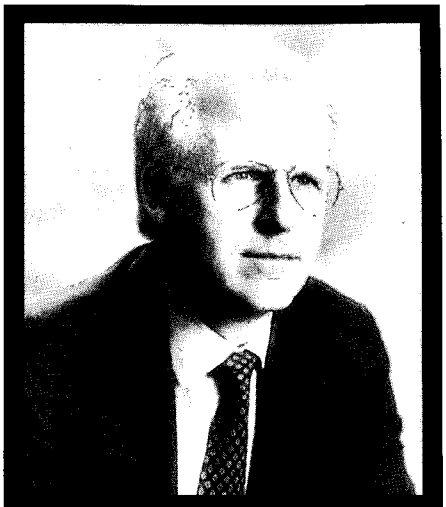
Skin blistering from semen, like Elvis sightings, has provided lots of claims but never any verifications. I talked to several VA doctors, all of whom said they've heard about the phenomenon but have never actually seen any such blistered or burned skin. In fact, some women do develop allergic reactions to semen, according to Dr. David Bernstein, an allergist at the University of Cincinnati Medical Center, who has studied the "burning sperm" claims. He says the reaction is typically simply redness of the skin inside or outside the vagina. But blistering? "Personally, I've never seen that," Bernstein said politely. But Dr. Marvin Ligator, director of the toxicology and epidemiology department at the University of Texas Medical Branch, burst out laughing when I asked him about it. As to whether something the vets were exposed to could cause any seminal reaction at all, Ligator said, "There are chemicals we know of that get into semen, but I've never heard of anything that causes burns or irritation." Bernstein concurred with Ligator.

Such bizarre symptoms may sound absurd. But to a vet who hears them through the grapevine and then sees them validated in print, they're horrifying. "There's been one soldier who died because his brain turned to mush," a 37th Engineer vet told me. "A softening of the brain matter is very well known" as a symptom of GWS, he explained.

A key component of Gulf Lore Syndrome entails suspending the laws of science whenever necessary. Consider the first death widely attributed to GWS, that of Army Reservist Michael Adcock. Adcock died in 1992 at the age of 22 from what began as a lymphoma (cancer of the lymph glands) and then spread to the rest of his body. Without doubt he believed—as his mother Hester testified before Congress—that he had contracted the lymphoma from exposure to something in the Gulf. His last words, she said, were, "Mama, fight for me. Don't let this happen to another soldier." The congressmen listened solemnly, and the media faithfully reported the story. But Army Surgeon General spokeswoman Virginia Stephanakis told me that Adcock "had rectal bleeding [the first symptom of his lymphoma] six days after arriving, and the family blamed it on the Gulf." It is universally accepted by the medical community that lymphomas take years to develop, perhaps 10 or more years on average. Not months, not weeks, and certainly not days.

Likewise, former Navy Seabee (combat engineer) Reservist Nick Roberts claims to have contracted his lymphoma within weeks of what he claims was a nerve gas attack. Roberts is almost as popular with reporters as Brian Martin. The AP, *USA Today*, States News Service, *The Atlanta Journal and Constitution*, and *Esquire* in its cover story on GWS have all portrayed Roberts as a prototypical GWS victim, using such headlines as "Walking Wounded" and "Trail of Symptoms Suggests Chem-Arms." I've talked to Roberts, and I'm sure he's convinced of what he says. But his claim is a medical impossibility, and none of the stories about him bothered to make that clear.

Roberts appeared before Shays's committee on the same day as Martin, so I called Robert Newman, the Shays staffer who invited them both to testify. I asked Newman first about Martin's daily spewing of glowing vomit. "In the overall scheme of things," Newman told me, "that's got to be a minor point." Well, OK. What about Roberts's lymphoma? "Do you know how long it takes a lymphoma to develop?" I asked Newman. "It takes a long time to develop," Newman said. "So you're willing to concede that Roberts's lymphoma couldn't have had anything to do with exposure from something in the Gulf?" I asked. "I'm not going to concede anything," he said.



Rep. Chris Shays (R-Conn.) called two days of hearings to denounce the government's findings that Gulf War vets had the same death and hospitalization rates as vets who never served in the Gulf.

No, he certainly wasn't. It is part of the strategy of the lore spreaders that you never, ever admit that any vet's claims are incredible, or that even a single veteran anywhere might be suffering psychosomatic illness. Newman ended our conversation by saying, "You caught me at a bad time because I'm in another crisis. Call me tomorrow." I did, and several times after that. We never talked again.

It is bad enough that the media and Congress always treat Persian Gulf vets as experts in self-diagnosis, but they're even considered experts in diagnosing others. Roberts told a congressional panel in November 1993 that of the 33 members in his military reserve unit, 10 in addition to him have been diagnosed with lymphomas. Were that true it would probably be the most amazing cancer cluster in history. He also held up a list of what he said were 173 cancer-stricken Gulf veterans, and the media duly reported his comments. Yet five months later, an update of the Persian Gulf Registry showed only eight lymphomas out of all the Gulf vets in the country, with 38 cancers of all types.

There have been reports of mysterious illness clusters throughout the GWS scare. Vets or their spouses will call other vets, essentially doing their own epidemiological study. Often they conclude that they are suffering an abnormal amount of illness. They then contact the media, who publicize these "findings," gingerly referring to them as "unofficial investigations."

The Institute of Medicine looked at three such reports, including one involving Nick Roberts's reserve Seabee unit. In all three cases, the IOM found that, while the symptoms tended to be the same among the three groups, these were classic psychosomatic manifestations. The outbreak studies, said the IOM, "were not successful in demonstrating that these symptoms occurred at a higher rate among PGW [Persian Gulf War] veterans than among [other] PGW-era veterans, or that these symptoms could be linked to specific medical diagnoses or exposures."

The most famous of the self-diagnosed clusters occurred in Mississippi, involving alleged defects in the babies of vets. These

reports added a whole new dimension to the disease. Among the heart-wrenching stories built around the "cluster" were "Gulf Syndrome Kills Babies," "A Town in Torment," and *Ladies Home Journal*'s "What's Wrong with Our Children?"

The basic story, as *Nightline*'s reporter told it, was, "In Waynesville, Mississippi, 13 of 15 babies born to returning members of a National Guard Unit were reported to have severe and often rare health problems." It didn't say the report was "prepared," as it were, by the parents themselves. The Mississippi Department of Health investigated the alleged cluster and found that of 54 births to returning Guardsmen in that state, both major and minor defects were well within the expected range. There were also no more premature or low-birth-weight children than would be expected.

Since then, several birth-defect and miscarriage studies have looked for exceptional rates among the offspring of Persian Gulf vets. They have found none. In addition, all live births to Persian Gulf vets are being tracked, with birth defects compared to those in the offspring of non-deployed soldiers. When last analyzed, the children of the Gulf War vets had the same percentage of birth defects as the children of the comparison soldiers.

But of all the media outlets that originally reported on the alleged Mississippi cluster, only CNN later told its audience of the state's report. So the "Town in Torment" remains a staple of Gulf Lore. Dr. Russell Tarver, who headed up the study, told me, "It's unconscionable to frighten people out of reproducing unless you have some good data to support that contention." He called it "a crime against those veterans."

For the Gulf vets, rumor is often their reality. Thus two months before this article even appeared, activists were calling vets and telling them not only that it had appeared but providing alleged quotes. Brian Martin called to berate me for having written that despite his claims of being sick he was able to mow his lawn. "That's bullshit," he said. Yes, more so than he knew.

A Little Knowledge

Look, the vets did their job in the Gulf. These men and women are not supposed to be medical experts, and it's not their fault the media and Congress insist on treating them as such. Yet the medical knowledge on the part of the non-vet GWS advocates is just as appalling. Consider a 1996 article by Maggie O'Kane in the British newspaper *The Guardian*. She wrote that American Dr. Howard Urnovitz "says the syndrome can be successfully treated with an antibiotic called doxycycline, which attacks the cocktail of viruses that many experts say has led to the illness."

Later in the article O'Kane quotes GWS activist James Tuite II, former GWS investigator for Sen. Don Riegle (D-Mich.). "There's no doubt this treatment is working, but the problem is that viruses can develop an immunity to some antibiotics like doxycycline," said Tuite, "and if they stop taking them then the disease can come back."

No, actually antibiotics can't cure viruses at all; antibiotics treat only bacteria. I guessed that what Dr. Urnovitz had said is that doxycycline could treat secondary bacterial infections that sometimes arise when a person is suffering from a virus. He confirmed this to me. "This was not a very well-vetted story," he told me, though—as we'll see—he was glad for the publicity.

Who are these people who don't know what an antibiotic does? Well, Maggie O'Kane is one of her country's most influential GWS reporters. She has repeatedly written on the subject and even produced a TV documentary. Twice named Journalist of the Year, O'Kane won the 1996 James Cameron Award for reporting "of the highest quality"; the judges specifically cited her GWS coverage, calling her a "truth-seeking missile."

Tuite is America's most influential GWS activist, although the media outlets that cite his claims ("our government is ultimately responsible for more casualties than Saddam Hussein," he told the Presidential Advisory Committee, because of "what they've been concealing for the past five years") have usually treated him as a neutral observer.

Denise Nichols's September 19 testimony before Congress was on the same level of medical expertise. Nichols, a former Air Force nurse, is a Persian Gulf vet and Colorado coordinator of the Desert Storm Veterans Coalition. She told Shays's committee that she had transmitted GWS to one of her children. "My own daughter, along with the child of another Colorado veteran, has been diagnosed with congenital cataracts, which she did not have before my return from the Gulf," she testified. Somehow, a nurse didn't know that *congenital* means "from or at birth"; her doctor was telling her that her daughter *did not* "catch" her cataracts as a result of her mother's Gulf duty.

Or consider *Rocky Mountain News* reporter Dick Foster's claim that Persian Gulf vets have a cancer rate of three to six times that of the civilian population. Asked his source, he cited William L. Marcus's congressional testimony in June 1996. The figure Marcus gave was not for cancers as a whole but for one specific cancer of the bone marrow called multiple myeloma. Marcus gave no overall cancer figure.

Is even the multiple myeloma figure accurate? Five days before the hearings, CDC Director David Satcher sent a letter to Shays with information explaining in detail why the data from which Marcus was drawing "are not adequate to assess whether service in the Gulf War resulted in increased risk for" tumors or death from cancer. A VA representative who testified before the committee concurred. The data were too limited not only to say

just how many Gulf vets had cancer, but also to determine what a normal rate of cancer would be. Both sides of Marcus's equation, then, were useless. What we *can* say is that as of the end of 1996, of 52,000 vets from the Persian Gulf Registry who had been medically evaluated, only two had been diagnosed with multiple myeloma.

As for Marcus, he's not an epidemiologist or statistician but an EPA toxicologist who took it upon himself as a private citizen to do his own calculations. He has not authored a study that has appeared in a peer-reviewed journal; he's authored no study at all. No one has checked his numbers. But once Marcus was given the stamp of "expert" by Congress, Foster felt free to use his data. Foster then extrapolated from one type of cancer to all cancers. Now Foster's own article is on the Nexis and Dialog computer databases for any enterprising reporter to pull up and reuse.

Similarly, the 37th's Toulious told me he was frightened by the sudden upsurge in Persian Gulf vet deaths he'd heard about. "Who told you that?" I asked. It was Maj. Denise Nichols, he told me, the woman whose daughter got her congenital cataracts by contagion. "She's great," Toulious told me. "She's awesome." Sure enough, Nichols has been going to GWS meetings and saying that from the end of the war to November 1995, 2,900 Persian Gulf vets had died, yet by May 1996, the number had skyrocketed to 4,291. Local newspapers dutifully wrote it up.

I called Nichols to ask her source for the figures, and she specified an office at the VA. I called that office and talked to spokesman Terry Jemison, who explained Nichols's data are a splicing of "two different numbers." The first number was deaths from all causes among veterans of Operation Desert Storm itself, about 700,000 people. The second number was deaths among anyone who had served in the Gulf region since 1990, over a million people. Obviously a bigger base number of people is going to yield more deaths.

Jemison told me there are even wilder numbers in circulation, "numbers that we not only can't corroborate, but can't even figure out the source for." He cited the case of reserve Air Force nurse Cpt. Joyce Riley, director of the American Gulf War Veterans Association, who says she contracted GWS from her patients. She made a speech saying 10,000 to 12,000 Persian Gulf vets have now died. Her speech has since been posted on the Internet. She also says that the U.S. government invented not only the biological weapons that cause GWS but the AIDS virus as well.

For the Gulf vets, rumor is often their reality. Thus two months before this article even appeared, activists were calling vets and telling them not only that it had appeared but providing allegedly exact quotes. Brian Martin called to berate me for having written that despite his claims of being sick he was able to mow his lawn. "That's bullshit," he said. Yes, more so than he knew. In late December, I debated Denise Nichols on a Denver talk show. She said Christian Toulious was very upset with me for having "twisted" his words around. Yet the first time I ever quoted Toulious is in the article you're reading, which had just gone into galleys the day before. The only Toulious quotes it contained coincidentally related to Denise Nichols and consisted of "She's great," and "She's awesome!" I wonder which quote she thinks is twisted?

I later called Toulious, who confirmed he had heard my article had appeared and had misquoted him. He apologized for having been angry at me and says that he's now become utterly exasperated with the rumor mill. "I just have two words for all these people," he said. "Prove it." Wise words, indeed.

Post Gulf, Ergo Propter Gulf

Much of what drives the GWS myth is the simplest of fallacies: that if something happens after a given event, it must have been caused by that event. The GWS fallacy works like this: The vets were obviously healthy when they went to the Gulf, or they wouldn't have been sent. Now they're sick. Therefore it must have been something in the Gulf that made them ill.

Appearing on *Nightline*, Sen. John D. (Jay) Rockefeller IV (D-W.Va.) invoked the fallacy repeatedly with such statements as: "They were totally healthy when they went over to the Persian Gulf. No problems whatsoever. They come back and all of the sudden their children are [born] defective, they can't have children, or they [the children] die."

So what happened to these vets? It depends not just on whom you ask, but what day you happened to ask them. Consider just the headlines from some of the stories authored or co-authored by Hanchette:

"Experimental Drugs on Gulf Troops Rapped by Panel"

"Key to Gulf War Syndrome May Be Flies"

"Doctor Says Gulf Illnesses Stem from Vaccines"

"CIA Document: Scud Fuel May Be Involved in Gulf War Illnesses"

"U.N. Intelligence Representatives Show Iraq Could Have Spread Deadly Aflatoxin"

Just can't make up our minds, can we? It's not uncommon for a vet or activist or reporter to insist that one thing is absolutely, definitely the cause of GWS, and later to insist that something else is absolutely, definitely the cause. Sometimes the media or activists will even use a sort of shotgun approach.

Nightline's GWS show in October, which left no doubt that GWS was both real and spreading, first indicated the cause was nerve gas. That nerve gas symptoms couldn't possibly spread from person to person was apparently considered inconsequential. The *Nightline* reporter then proceeded to blame pyrodistigmine bromide (PB) pills the vets had taken. Then it was exposure to fumes from oil wells. Again, neither of these could possibly cause symptoms that are communicable, but that too seemed not to matter.

Vets and their families will often be influenced by these shifting fads, as in the case of Michael Adcock, the Persian Gulf vet who died of cancer. In May 1993, the fad cause of GWS was multiple chemical sensitivity, and that month Adcock's mother, Hester, told *The Washington Times*, "Beyond a shadow of a doubt, I believe Michael died of multiple chemical exposure" in the Gulf. She cited oil well fires, fresh paint on vehicles, and lead in the diesel fuel used in lanterns and heaters. Six months later the fad cause of GWS was nerve gas, and Mrs. Adcock testified before Congress, doubtless sincerely, that her son's disease was from nerve gas released by a Scud missile the day be-

fore his first symptom of lymphoma appeared.

Though the fads come and go, the main two so far have been PB and Iraqi chemical weapons. PB was given to many of the troops because of evidence from animal experimentation that it could provide some protection if they were hit by one type of nerve gas. A Nexis search shows no fewer than 175 stories implicating PB as a possible cause of GWS.

But the focus on PB has more to do with confusion over terms than with science. Time and again, the media have described PB using the fear-triggering word *experimental.* Hanchette and Brewer at Gannett did so in two different articles, calling it "unlicensed" in a third. The soldiers "had no idea they were taking an investigational drug," Ed Bradley told *60 Minutes* viewers, with a follow-up quote from a vet in combat fatigues saying, "We've been used as guinea pigs."

What virtually no one out there in media- and activist-land says is that PB was "experimental" or "investigational" only insofar as its ability to prevent illness from nerve agents went. The drug itself comes from a class of pharmaceuticals that has been in use since 1864. Far from being "unlicensed," it was licensed by the FDA in 1955 to treat a neuromuscular disease called myasthenia gravis. Moreover, the dose given to myasthenia gravis patients ranges from 360 to 6,000 milligrams daily. In contrast, U.S. soldiers in the Gulf were given a one-week supply of PB, with three 30-milligram pills to be taken daily.

This is why both the NIH and IOM panels rejected out of hand the notion that PB could be causing illness among Persian Gulf vets, with the NIH saying that even at the massive doses taken by the myasthenia gravis sufferers, PB has shown "no significant long-term effects." Yet one newspaper, in attributing the ills of Persian Gulf vet Carol Picou to the PB pills, went so far as to tell its readers that PB has never even been tested on women and was only the subject of a single test on men.

The second main culprit, nerve gas, has become a popular GWS suspect for reasons more psychological than scientific. "Chemical weapons are not useful as tactical weapons," FDA specialist Peter Procter told a wire service reporter during the 1990 Gulf buildup. Only 3 percent of Iranians gassed during the Iran-Iraq war died. It was hardly because Hitler was a humanitarian that he refrained from using sarin, the new nerve gas his scientists had invented, but rather because his experts convinced him that the old-fashioned high explosive shells and rockets were far more effective. But the received wisdom among American civilians, soldiers, reporters, and even government officials is that chemical weapons are incredibly efficient killing machines, so much so that they are regularly lumped into the category "weapons of mass destruction," alongside hydrogen bombs.

Such weapons are mostly effective "as weapons of terrorism," the FDA's Proctor said six years ago. "The greatest fear among the soldiers on the line," wrote one reporter shortly before the Persian Gulf ground war began, "is the likelihood that the enemy artillery will be firing rounds of mustard gas and nerve gas." Thus, it's only natural that Gulf War vets seeking a cause for their symptoms would convince themselves that they must have been gassed.

But there are many problems with the gassing scenario. One is that, as the October IOM report stated, "there are no confirmed reports of clinical manifestations of acute nerve agent exposure." True, some vets are *now* claiming they remember being gassed, but not one of them reported to clinics then.

Are Gulf War vets having these illnesses at an extraordinary rate? The flat answer is: no—no more deaths (except vehicle accidents), no more cancers, no more birth defects, no more miscarriages. Persian Gulf vets have these problems because everybody has these problems. The difference is the media have convinced them that a neighbor's miscarriage is just a miscarriage, but *their* miscarriage is GWS.

Chemical alarms went off constantly during the war, supposed evidence of gas attacks. But chemical alarms are made to be hypersensitive, for obvious reasons. Even a "confirmed" gas detection doesn't necessarily indicate the presence of gas; it's just a more specific test than the initial one.

The news that sarin nerve gas weapons were blown up at Khamisiyah with U.S. troops standing three miles away gave a new boost to the chemical weapons theory. The Gulf Lore Syndrome machine went into overdrive, led by *New York Times* reporter Philip Shenon. He churned out article after article, many on the front page, filled with speculation on the long-term effects of nerve gas poisoning and featuring sad interviews with members of the 37th. Later, the Pentagon stated the obvious, that the cloud containing debris from the explosion must have floated somewhere, possibly over a large number of troops. This led to such amazing headlines as "Gulf War Gassed 15,000?"

But as such a cloud spread, it would naturally thin and degrade to nothingness. It's like pouring a small dose of arsenic into a reservoir serving 15,000 people and claiming they've all been "exposed" to a deadly poison. The most important fact is that no soldier in the 37th, the unit that was right there, reported any acute symptoms of nerve gas poisoning. Not even Brian Martin. Thus, we're being told that exposure so slight that nobody even knew about it at the time is now causing terrible, widespread harm. We are also told that there's no scientific evidence as to whether this is possible.

In fact, the Persian Gulf Illnesses Investigation Team, the same Department of Defense–appointed group which first posted the news about Khamisiyah on the Internet, also released a "Report on Possible Effects of Organophosphate 'Low-Level' Nerve Agent Exposure." Sarin gas is an organophosphate. The report states,

"The concept of low-agent exposure is not realistic. These are highly volatile substances and disappear quickly." Further, "it is hard to imagine an open-air situation in which low concentrations would not disappear to zero levels within moments." Not days, not hours. Moments.

The report then surveys the scientific literature on nerve gas exposure. Among these was a test on over 1,400 subjects, from which a National Academy of Sciences panel concluded there were no long-term effects. These subjects were exposed to a range of gas levels from low, symptomless doses all the way to those that caused acute illness. Another report on 297 cases of accidental exposure among workers manufacturing nerve agents found that about a fifth initially had symptoms, but all "eventually returned to work fully functional."

The Investigation Team notes the unlikelihood of "illnesses from very low levels of exposures in the presence of overwhelming evidence that those illnesses do not occur with high and longer levels of exposure. This would be incompatible with empirical science and the principles of biology and pharmacology." The October 1996 IOM report also concluded "there is no available evidence in human or animal studies to date that exposure to nerve agents at low levels that do not produce any detectable acute clinical or physiological manifestations results in any chronic or long-term adverse health effects."

At a press conference, Colorado State Sen. and Gulf War reservist Mike Coffman joins Denise Nichols to call for the appointment of a federal special prosecutor to investigate a "coverup" of Gulf War Syndrome.

All this evidence has been virtually ignored by the media. "I have tried in my stories to point it out," one Pentagon reporter with a major TV network told me on condition of anonymity. But his editors just aren't interested in such things. "They're much more interested in stories saying 'Mounting Evidence Indicates Pentagon Not Forthcoming' or in vets saying the Pentagon has something to cover up." The other problem, he says, is that "our editors are bamboozled by *The New York Times*." The *Times*'s problematic role in covering GWS isn't hard to document. Despite its numerous front-page stories telling readers that GWS is real, it buried the October IOM report on page A17 under a misleading headline: "Poor Records Hampered Inquiry on Gulf War Ills, Panel Says." The IOM did say that, but it was a minor point, making up just four paragraphs of the 65-paragraph executive summary.

As to the IOM's conclusion that there is no real GWS, the *Times* gave that one cryptic paragraph: "The committee said ample evidence showed that some veterans were genuinely sick with a variety of symptoms, most notably fatigue, headache, skin conditions, muscle and joint pain, and loss of memory or attention problems. But, it said, all these abnormalities were probably not caused by a single event."

That's it. Readers could conclude that GWS resulted from multiple chemical attacks, or a combination of such attacks and drugs. In fact, a *Times* reader could conclude anything or nothing about what the IOM had really said.

Medicine and 'Miracles'

Journalists aren't the only ones feeding the vets good stories that don't quite add up. Dr. Howard Urnovitz is one doctor beloved by vets who believe they have GWS. Last year he said his discovery of a mystery virus in Persian Gulf vets explains how, "Like rubella, it is being passed on as a virus and can, we believe, explain the birth defects in children of the veterans."

Urnovitz is not, however, a disinterested scientist. Although he may believe what he's saying, he also appears to be appealing to the vets' fears to raise money for his biotech company, Calypte Biomedical of Berkeley, California. After all, as Calypte's Web page (ChronicIllnet) informs readers, "ChronicIllnet feels that much of the current breakthroughs in understanding IMMUNE SYSTEM IMBALANCE SYNDROMES, such as cancer, will come from the MIRACLES occurring with the new treatments being explored in Persian Gulf War related illnesses." (Emphasis theirs.)

No responsible physician would use the term *miracle* to describe his treatments; that's huckster terminology. As it happens, *miracle* is a hypertext link. If you click on it, the link takes you to a story about a Gulf vet who claims that his GWS symptoms were cured by doxycycline. Somehow a general-purpose antibiotic developed in 1966 doesn't seem like the sort of thing that will lead to a cure for cancer.

But it's not just cancer that these "miracle" cures will finish off. "If we can find a cure for Gulf War Syndrome," Urnovitz said at a 1996 symposium in Denver, "we'll be able to cure cancer and AIDS and chronic fatigue syndrome and other immune system disorders. They're all linked together." Maybe that cure will start your car on a cold winter morning, too.

Another doctor who is revered by sick Persian Gulf vets and has testified before the Presidential Advisory Committee is Garth Nicolson. Nicolson is a highly regarded cancer researcher who says he and his wife Nancy, a molecular biophysicist, left the M.D. Anderson Cancer Center in Houston to pursue a cure for GWS after his stepdaughter, a Gulf War vet, fell ill.

Like Urnovitz, the Nicolsons claim great success with doxycycline. Unlike Urnovitz, the Nicolsons blame not a virus but

DAVID ZALUBOWSKI/AP WIDE WORLD PHOTOS

a bacterium, specifically mycoplasma fermentans (MF). They claim that using a special form of the polymerase chain-reaction (PCR) test, they have detected MF in about half of the vets with GWS symptoms. With PCR you take some blood from a person and use a chemical procedure to enlarge parts of the DNA of an organism (such as MF) that you think might be in the blood. If you use the chemical that would enlarge the DNA of MF and it works, then you know the MF is there. If the chemical doesn't enlarge it, you don't have MF. So far, so good.

But the same sensitivity that makes PCR a useful tool in finding what's in blood also makes it liable to find what's not there. Improperly cleaned and sterilized equipment will have all sorts of DNA strands on it that didn't come from the blood of the specified patient. In the most famous case of PCR contamination, Dr. David Ho—recently named *Time*'s "Man of the Year" for his promising work on AIDS—published a study in the mid-'80s which, using PCR, detected the AIDS virus in numerous people who had tested negative in the standard blood test. It was a frightening result, but no one could duplicate his findings and Ho was forced to admit that his testing must have suffered contamination.

As with Ho's results, other doctors are finding they cannot duplicate Nicolson's PCR work on MF. This includes the man universally acknowledged as the leading expert on MF, Dr. Shyh-Ching Lo of the Armed Forces Institute of Pathology. "We've never found one" Persian Gulf vet with the bacterium, says Lo. "The Nicolsons claim their technique is different," allegedly using "a special form of PCR that's more sensitive," says Lo. Specifically, they claim their test can better find MF when it's hiding in the nucleus of the cell only. Lo says that's possible, "but we never truly get the detail of how [the Nicolsons] process PCR. They just give us the statements of their results." In late December, Garth Nicolson announced that he will divulge his testing technique, but he had not done so at this writing.

The vets and their wives are suffering what I call *current traumatic stress disorder*. It isn't their experience in the Gulf that is haunting them, but rather what they're seeing on TV shows, what they're reading in the papers, what they're hearing from congressional demagogues and from activists, and what they hear from their fellow vets. They are bombarded with the message that they *ought* to be sick.

I asked Nicolson if there were any scientists who had duplicated his work. He named only one, Aristo Vojdani, himself a GWS advocate and doctor who specializes in multiple chemical sensitivity. MCS is an alleged ailment that mainstream organizations, such as the American Medical Association, find questionable, if not outright nonsense. (See "Sick of It All," June 1996.) Vojdani is also now among the shrinking number of researchers claiming that silicone breast implants are harmful.

The other way of judging the merit of the Nicolsons' PCR work would be to see where it has been published. One National Institutes of Health MF expert, who asked not to be identified, conceded that Nicolson had indeed published in this area, but only in "garbage journals." Indeed, of the seven pieces Nicolson sent me, six were in journals that specialize in MCS or related fields. The seventh was in *The Journal of the American Medical Association*—but it was only an unrefereed letter to the editor.

None of which conclusively proves that the Nicolsons' research is invalid. But even if their unique test does detect MF, it may have no connection to Gulf War Syndrome. For one, nobody knows how many perfectly healthy people carry around MF in their bodies, just as we carry around myriad types of benign and even helpful bacteria. More important, medical science so far has identified MF as a probable cause of just one health problem, rheumatoid arthritis. There is also some evidence it may be involved in acute respiratory problems. Sure, some Gulf vets have complained of aching joints and others of breathing troubles. But what of the 100-plus other problems they claim?

Further, the very idea of MF as a biological weapon, as the Nicolsons claim it was, is ludicrous. The purpose of biological weapons is to cripple, kill, and terrorize on the battlefield—not to cause aching joints in vets years later.

Nor does it help the Nicolsons' credibility that they suggest they are targets of a conspiracy because their work threatens the GWS coverup. Garth told the *Houston Press*, an alternative weekly, that while he and his wife were at M.D. Anderson, their faxes and letters were repeatedly intercepted, and their phone had been tapped so many times that "it was a record." Nancy also claims there have been six attempts on her life, but "assassins told her they saw her face and just couldn't pull the trigger."

I asked Garth about this. "We had an armed agent who came into the hospital and opened an aluminum briefcase with a silenced Beretta [sub-machine gun] who identified himself as a defense intelligence agent and said to stop our work," he told me. Were there witnesses? He said yes but wouldn't supply their names. "Frankly, I don't want to discuss this because it detracts from what we're talking about," he said.

That's a matter of opinion. What's sad is that the vets are buying into such conspiracy theories. One of those vets is the 37th's Dan Topalski, who was told by Nicolson's lab that he and his wife were positive for MF. Topalski is terrified for himself and his spouse, and the other 37th vets are terrified for him. I called Topalski and told him that the nation's most eminent MF researcher, Dr. Shyh-Ching Lo, said he didn't think much of Nicolson's work. But Topalski told me that Lo was one of the government conspirators. "He was employed by Tanox Biosystems of Houston as their resident medical expert," he told me, "where he developed MF for warfare use." His source for this informa-

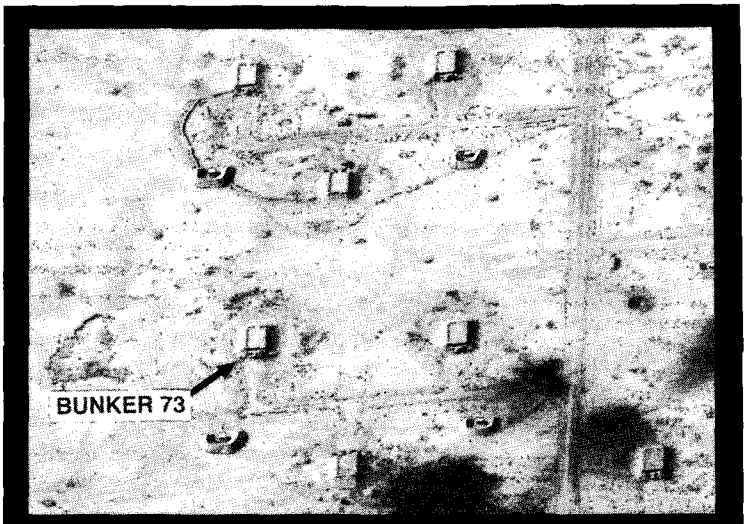
tion? "Nancy Nicolson," he replied. "They both worked there in 1988."

Tanox informed me that they had never heard of either Lo or Nicolson. They claim their only research is in developing allergy treatments, and indeed they hold patents in this area. Nancy Nicolson, according to *The Mail on Sunday*, the British newspaper that interviewed her, also likes to talk about how Queen Elizabeth and Prince Phillip visited her, how the pope gave her a gold ring, and how her family has enough money to bring down the American economy.

The Mystery Solved

Of the many reasons the media perpetuate Gulf Lore Syndrome, one is that reporters—and readers—love a mystery. Indeed, a Nexis search in November found 630 stories referring to the "mystery" of GWS. The allure of a mystery is often such that it refuses to die no matter how much light is shone on it. So it is with GWS. But there is no mystery.

Why are there so many sick Persian Gulf vets? First, because there are so many Persian Gulf vets, period. Take 697,000 vets, add their spouses and children, and you have a pool of well over a million people. In such a pool you're going to have every illness in the book. Because modern medicine is not an exact science, you're also going to have a certain number of illnesses for which no firm cause is identified.



An aerial photograph of the Khamisiyah bunkers where the 37th Airborne destroyed the chemical weapons that allegedly cause GWS. Even so, no soldier in the 37th reported acute symptoms of nerve gas poisoning at the time.

"Among approximately 697,000 people over a period of several years, there will be poorly understood ailments and a number of obscure diseases," as the October IOM report put it. The question is, Are Gulf War vets having these illnesses at an extraordinary rate? The flat answer is: no—no more deaths (except vehicle accidents), no more cancers, no more birth defects, no more miscarriages. Persian Gulf vets have these problems because everybody has these problems. The difference is the media have convinced them that a neighbor's miscarriage is just a miscarriage, but *their* miscarriage is GWS.

Indeed, for all the talk of the "commonality" of symptoms of GWS, I have compiled a list of over 100, including hair loss, graying hair, weight gain, weight loss, irritability, heartburn, rashes, sore throat, kidney stones, sore gums, constipation, sneezing, leg cramps, insomnia, herpes, and "a foot fungus that will not go away." It is no exaggeration to say that every ailment any Persian Gulf vet has ever gotten—or that anybody has ever gotten—has been labeled a symptom of GWS.

According to Dr. Edward Young, former chief of staff at the Houston VA Medical Center, one of the three centers set up to investigate ailments among Gulf War vets, "We're talking about people who have multiple complaints. And if you go out on the street in any city in this country, you'll find people who have exactly the same things, and they've never been to the Gulf." In an interview with the *Birmingham Daily News*, he said, "It really rankles me when people stand up and call it 'Persian Gulf Syndrome.' To honor this thing with some name is ridiculous." Although Young later asked that the comments not be printed, the American Legion, the most powerful GWS lobbying group, got hold of them and complained to the VA. The VA unceremoniously yanked Young from his position, later citing his lack of compassion. As Shays staffer Robert Newman told me, "Nobody wants to go against vets; it's a very strong lobby." Amen.

Yet it's an oversimplification to say that vets are having exactly the same symptoms as anybody else. They appear to suffer more from illnesses commonly associated with stress—that is, psychosomatic ones.

Doctors have long understood that one can induce symptoms in many people by giving them reasons they *should* feel sick. David Murray, now with the Statistical Assessment Service in Washington, D.C., used to demonstrate this by telling his social anthropology students they might have suffered minor food poisoning at lunch and that, if so, they should go to the nurse's office. "Within five minutes there would be shifting of seats and belching and one or two people would walk out the door," says Murray. "Eventually a third of the class would have left or be complaining of illness."

Nothing enrages activists—or many sick vets—like suggesting that Gulf War vets are suffering psychosomatic illness. Responding to the Presidential Advisory Commission's conclusion, Denise Nichols told *The New York Times*, "I am appalled that after five years [the government] is still busy denying physical damage...this is not stress."

But "psychosomatic" does not refers to the symptom; it refers to its origin. You can get diarrhea because you're worried about tomorrow's final exam or because you ate a week-old taco. In the first case it is psychosomatic; in the second it is organic, meaning it came from some source other than stress. In either case, you're sick. Telling someone their symptoms are probably psychosomatic isn't an insult; it's just an explanation. Nor is there anything exotic about it; stress-induced symptoms—often more severe than organic ones—have been experienced by

REUTERS/DOD/ARCHIVE PHOTOS

nearly everyone.

What is the source of this GWS stress? That has been muddled by the misapplication of the term, *post-traumatic stress disorder* (PTSD), coined to explain psychological (including psychosomatic) problems of Vietnam vets who had trouble adjusting to civilian life. *Nightline*, in October, said GWS couldn't possibly be PTSD because this wouldn't explain why vets' wives were sick.

Exactly right. What the vets and their wives are suffering is what I call *current traumatic stress disorder.* It isn't their experience in the Gulf that is haunting them, but rather what they're seeing on *Nightline* and other TV shows, what they're reading in the papers, what they're hearing from congressional demagogues and from activists, and finally what they hear from their fellow vets in conversations and Internet chatter. The Gulf War vets are sick for the same reason Murray's students became sick. They are bombarded with the message that they *ought* to be sick.

Epidemic Hysteria

Medical historian Edward Shorter of the University of Toronto calls related cases of psychosomatic illness "epidemic hysteria." As a historian, he finds the GWS phenomenon tragic yet "fascinating." Says Shorter, "Just as cholera is spread by water droplets, epidemic hysteria is spread by the media."

In his 1992 book on epidemic hysteria, *From Paralysis to Fatigue*, Shorter recounts the similar history of a 19th-century syndrome called "spinal irritation," originally diagnosed by a handful of British doctors. Once informed they had this mysterious ailment, the patients, usually young women, would present an often bizarre array of symptoms, including temporary blindness, paralysis (of the sort Brian Martin appears to suffer), constant vomiting, dribbling saliva, and painful menstruation. Doctors used a wide array of treatments, including leeching, putting caustic agents on the skin, and applying magnets. "The more convincing and resolute the treatment," wrote Shorter, "the greater the success in cases of psychosomatic illness." "Spinal irritation" eventually spread to the United States, where it continued to afflict Americans for decades.

In November, the CDC announced that a study to be published in 1997 showed that Gulf vets from a Pennsylvania National Guard unit were three times more likely than comparable troops who didn't deploy to the Gulf to complain of such symptoms as chronic diarrhea, joint pain, skin rashes, fatigue, and memory loss. "This is absolutely a breakthrough study," said Matt Puglisi, an official with the American Legion. "For those who were more skeptical" than the Legion, he said, "and wanted scientific proof, now we've got it." *The New York Times*'s Shenon also played the story this way, in several articles with titles like, "The Numbers Support Gulf War Syndrome Claims." But this was far from the smoking gun GWS activists were hoping for and claimed to have found. All of these are classic psychosomatic symptoms. Combined with studies showing the Gulf vets have no higher rates of things not generally related to psychosomatic illness, such as cancer and death, the symptoms are actually further evidence that GWS reflects epidemic hysteria. Lost in the fuss over the CDC study was the statement from one of the authors to the Associated Press that "we have found there is nothing unique to the Persian Gulf, other than having gone there."

The GWS epidemic appears to have begun in mid-1992 as true PTSD among reservists who had such complaints as "hair loss, joint aches, severe bad breath, and fatigue." As reservists they were not as psychologically prepared to fight as were the active-duty soldiers; moreover, the reservists had to return to civilian jobs almost as if nothing had happened. At that point *USA Today*—the same newspaper that launched what proved to be the phony black church-burning epidemic of 1996—went into action, dubbing the symptoms "Gulf War Syndrome" and broadcasting them throughout the country.

A study of reservists found no extraordinary health problems, just illnesses attributed to stress. But Gulf Lore Syndrome was up and running. That's when the active-duty soldiers began to fall ill. By late 1993, CNN and others were seizing upon the alleged Mississippi birth defect cluster to say that GWS could be inherited. Gulf Lore Syndrome now included children.

By early 1994 some vets were linking their spouses' illnesses—including such things as irregular menstruation—to GWS. The media ran headlines like, "Gulf War Syndrome Spreading to Veterans' Families," and suddenly complaints about GWS symptoms began increasing among vets' wives. By late 1996 GWS had reached a point where people were contracting it from *objects* that had been in the Gulf. *Nightline* said Brian Martin's daughter got it from his military gear. CNN did a spot in November about a woman who contracted it from an Army surplus duffel bag.

For a year and a half, GWS remained strictly an American problem. By December 1993, however, *The Guardian* was reporting British cases. Eventually, GWS crossed to the continent. In a February 1996 article, Hanchette and Brewer began, "As recently as 15 months ago, asking the military about [GWS] often triggered this response: If there really is a sickness emanating from that war, why are our allies free of all symptoms?" To which the Gannett reporters responded: "Not any more." Well, here's a question for Hanchette and Brewer. Pick your favorite cause of GWS—chemical weapons, Scud fuel, sand flies, MCS—and explain why it would affect Americans three years before hitting soldiers in other countries.

"It's absolutely unmistakable" that "the symptoms are thoroughly psychosomatic," Shorter says. "The syndrome has no scientific status. It's entirely driven by political needs and the media's needs for sensationalism."

That's not entirely fair. Reporters like John Hanchette and Ed Bradley have probably convinced themselves they're doing vets a favor. They're not. Nor are the demagogic congressmen or the angry activists. You don't do people a favor by terrorizing them over their own health and that of their spouses and children. You don't do people a favor by replacing science with nonsense and reality with rumors.

It's been almost six years since the men and women who served us honorably in the Gulf War survived assault. They're still under assault, only now their enemy is more insidious, and, judging from the fear I saw in them, more successful.

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The Merchant of Avon

THE BEST GUIDE
TO 21ST-CENTURY ECONOMICS
IS A 16TH-CENTURY POET.

BY FREDERICK TURNER

THE CORE QUESTIONS OF ECONOMICS ARE WHAT value is and how it is created. These are mysterious questions, not accessible to the mathematical methods used by the academic discipline of economics, which deals admirably with how "utility"—the technical term for value—is exchanged, stored, communicated, regulated, and gauged, but which remains prudently silent on the nature and origin of utility itself. One of the functions of poets is to go forward, living off the land as it were, when the expeditions of professional scholars and scientists must turn back, having exhausted their supplies of fact and tested theory.

In the realm of value the insights of poets can be exceptionally useful, for poets spend their lives making value out of combinations of words that have no economic worth in themselves, being common property, infinitely reproducible, and devoid of rarity value. William Shakespeare, for instance, became one of the richest commoners in England—a media tycoon of his day—essentially by combining words in such a way as to persuade people to pay good money for them. Poets must be always exploring the subtle chemistry of the meaning of words, and the old and new ways in which human beings come to desire and cherish that meaning.

Where poets blaze the trail, economists and business people can follow, usually without knowing who made

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the path in the first place. In this essay I want to make a large claim, and one that may appear fantastic to those who make a sober living: that Shakespeare can be a wise guide to 21st-century economics.

Shakespeare was a key figure, perhaps *the* key figure, in creating that Renaissance system of meanings, values, and implicit rules which eventually gave rise to the modern world market, and which still underpins it. Using Shakespeare's dramatic and poetic definitions of such words as *bond, trust, good, commerce, market, save, value, means, redeem, dear, interest, honor, company, worth, thrift, use, will, partner, deed, fair, owe, ought, treasure, risk, royalty, fortune, venture, grace,* and so on, English-speaking merchants transformed the planet and made the language of a small, cold, wet island the lingua franca of the world.

Shakespeare made us see the business company as like a theater company, a troupe of actors, whose interactions generate the plot of the play and the interest that draws the paying audience; he taught us practically how life with others is not necessarily a zero-sum game but an arena where all may profit and competition increases the payoffs for everyone. By now many other cultures and languages have absorbed those rich and peculiar notions of trade, reciprocity, the deal, and so on, and the practices of democratic politics that arise out of them. Shakespeare's economic language has survived the huge challenges of socialism, communism, fascism, and the other statisms that arose in reaction against its new vision of things.

But its positive contributions have not yet ceased, I believe. Until now they have been largely unconscious and unacknowledged, a habit of thought and feeling absorbed with the 200 or 300 Shakespearean phrases that most English speakers know but do not know they know. For Shakespeare to make his full contribution to the next century, his wisdom must be analyzed more explicitly. This has not happened so far in the area of economics because his critics and interpreters, excellent though they often were, had a notable blind spot as far as money was concerned. Until the 20th century Shakespeare critics were gentlemen scholars who aspired to the old values and lifestyle of the aristocracy, with its contempt for trade and its superiority to money matters; and in the 20th century their successors were university intellectuals whose political loyalties were usually to the left of the general population, and who, as liberals, socialists, or Marxists, likewise despised the market and its values. Thus much of Shakespeare's business wisdom has been passed over in embarrassed silence, and some major misinterpretations have crept into our understanding.

For instance, the gentlemanly and leftist dislike of usury—best defined as interest at a rate higher than one would like to pay—led to a deep and unnecessary discomfort with *The Merchant of Venice.* The Jewish moneylending capitalist, Shylock, was particularly difficult. The critics' values told them to despise him, as do some of the bigoted Christians of Venice in the play. Yet as good liberals, they also hated ethnic stereotypes and prejudice. They were thus forced to deny the fact that Jews of Shakespeare's time did tend to be strongly represented—and for good reason—in banking, jewelry, commodities, currency exchange, and related money industries, and to excuse what they took to be Shakespeare's anti-Semitism on the grounds that it was not as bad as that of his contemporaries.

What they ignored is that Shakespeare did not disapprove, as his critics did, of the taking of interest. In fact, he evidently regarded it as the foundation of Venetian prosperity, and he has Antonio, one of his most positive characters, invest money at interest to support the newlyweds Lorenzo and Jessica, one of whom is Jewish. Most striking of all, Shylock is punished at the end for not taking the exorbitant interest he has been offered on his bond, but insisting on the worthless pledge of the pound of flesh. In other words, Shakespeare's anti-business critics are completely blind to the implication that Shakespeare is the very opposite of the economic anti-Semite, that he regards the spread of "use" or interest as a creative and valuable, if not very exalted, form of real progress. Shakespeare himself was a large investor in bonds and other interest-bearing securities. His famous words "neither a borrower nor a lender be" are put in the mouth of the "wretched, rash, intruding fool" Polonius, the time-pleasing state bureaucrat in *Hamlet* who so richly deserves his rather nasty fate, stabbed while spying on a private conversation.

Shakespeare's core insight is that human-created value is not essentially different from natural value. The value that is added by manufacture, and the reflection of that value in profit, are but a continuation of nature's own process of growth and development. Consider the following exchange between the shepherdess Perdita in *The Winter's Tale* and the disguised king, Polixenes.

Announces Perdita: "...the fairest flowers o' th' season/ Are our carnations and streaked gillyvors/Which some call Nature's bastards; of that kind/Our rustic garden's barren; and I care not/To get slips of them." She refuses to grow the gaudier summer flowers, hinting that there is something improper in their ancestry. A "slip" is a cutting, from which a new plant can be propagated or cloned.

Polixenes pursues the matter: "Wherefore, gentle maiden,/ Do you neglect them?" Perdita responds, "For I have heard it said,/There is an art, which in their piedness shares/With great creating Nature."

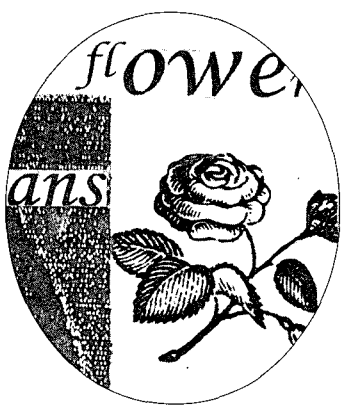
But now she has opened up one of the perennial questions of philosophy. What she has just said is that she objects to the art of selective breeding and hybridization by which Renaissance horticulturalists transformed simple wildflowers into elaborate multicolored blooms. Those blooms could, as the great Dutch tulip breeders found, make huge profits (as well as losses). But like an ardent advocate of environmental purity in our own time, Perdita is suspicious of artificial interventions into nature. Great Creating Nature is for her a goddess like the Gaia of our own New Age philosophers:

"I'll not put/The dibble in earth, to set one slip of them;/No more than were I painted, I would wish/This youth to say 'twere well, and only therefore/Desire to breed by me."

Perdita dislikes the hybrid flowers because they use their attractive looks to gain the advantage of being reproduced instead of their more modest sisters. But if Perdita is right, art itself is a profoundly questionable enterprise. The very art of drama in which she is portrayed is a fiction. And what is art? For Shakespeare the word had an enormous range of related meanings, which had not disentangled themselves from each other. It could mean "art" in the contemporary sense of what we find in an art gallery, a book of poetry, a symphony hall, or a theater. But it was also a normal term for skill or technique, and by extension for technology, machinery, and mechanical devices of all kinds. It also meant magic, alchemy, and the mystical sciences of astrology and prognostication. Or it could mean deceptive practice or cunning imposture.

The ambivalence and complexity implicit in Perdita's use of the term are surely quite familiar in our own times. At present we are struggling with the ethical and health implications of the science of genetic engineering by means of recombinant DNA. Should we buy the new genetically altered tomatoes on the grocery shelves, or drink the milk produced with the aid of bovine hormones? What about the strawberries with their chimeric pesticide genes, the experimental fruitflies with eyes growing out of their legs and antennae, or the patented strains of cancerous mice? We must balance the benefits of insulin, thyroid hormones, oil spill–eating bacteria, interferon, and gene-grown taxol against the specter of laboratory killer viruses; gene therapy for inherited diseases against sinister eugenic schemes to improve the human gene pool; *in vitro* fertilization and implantation against the legal and kinship dilemmas that result when the birth mother is not the same as the genetic mother.

Reading Shakespeare, we become aware that our problems are not new—Perdita's unease prefigures ours. Indeed, since the neolithic agricultural revolution, when we first began selecting plants and animals to breed future stock, we have been in the business of genetic engineering and recombinant DNA. Our humblest domestic and culinary techniques are just as "unnatural" as the activities of the biochemists. Brewer's yeast, sourdough, ginger ale plants, and cheese mites are all out-and-out examples of human tinkering with natural genetic processes. When we divide a clump of irises in the garden we are literally practicing clone technology; when we enter a pedigree dog or cat or pigeon in a show we are practicing eugenics on an entire species. Worse still, when we choose what we believe to be an exceptionally kind, intelligent, attractive, healthy, and honest person to be our mate and bear or sire our children, we are engaged in human eugenics on our own local scale. There is no escape.



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Thus Perdita cannot evade the fact that as a tool-using animal—the "dibble" she uses for gardening is a cunning little technological device—she must alter nature in order to survive. She needs "art" in its technological sense. How may this contradiction between nature and art be resolved? Polixenes's reply to Perdita reveals a wisdom that we would do well to take to heart. Recall that she has just disparaged the gillyvors on the grounds that there is an art that went into their ancestry. Says Polixenes:

> Say there be;
> Yet Nature is made better by no mean
> But Nature makes that mean; so over that art
> Which you say adds to Nature, is an art
> That Nature makes. You see, sweet maid, we marry
> A gentler scion to the wildest stock,
> And make conceive a bark of baser kind
> By bud of nobler race. This is an art
> Which does mend Nature, change it rather; but
> The art itself is Nature.

In several of Shakespeare's sonnets, the idea of sexual reproduction is imaged in frankly economic terms, as an investment that earns compound interest. The sum that we in-

vest was itself loaned to us by nature; we do wrong if we spend it on ourselves, or even invest it in ourselves at high rates of interest, for if we do, it will perish with us:

> Unthrifty loveliness, why dost thou spend
> Upon thyself thy beauty's legacy?
> Nature's bequest gives nothing but doth lend,
> And being frank she lends to those are free.
> Then, beauteous niggard, why dost thou abuse
> The bounteous largess given thee to give?
> Profitless usurer, why dost thou use
> So great a sum of sums yet cannot live?
> For having traffic with thyself alone,
> Thou of thyself thy sweet self doth deceive.
> Then how when Nature calls thee to be gone,
> What acceptable audit canst thou leave?
> Thy unused beauty must be tombed with thee,
> Which, used, lives th' executor to be.

Thus living DNA is like invested money, and its self-replication is like the return on an investment. The young man to whom the poem is addressed invests his genetic beauty only in himself, and pays himself the interest on the loan, which he then spends on himself. The audit on this questionable investment—death—reveals its unsoundness. The best policy is to be a rentier, so to speak, and invest in another—that is, the young man should marry a woman and have children with her. When the original business loan of life must be repaid, the profits made by using the money—one's children—remain. This is an extraordinary idea, rather breathtaking in its tough-minded equation of personal and financial values. But it also has a strange ring of truth.

In another sonnet it is quite clear that Shakespeare, who has observed the methods of livestock breeders just as Charles Darwin did over 200 years later, has already grasped the principle of evolution through natural selection:

> Let those whom Nature hath not made for store,
> Harsh, featureless, and rude, barrenly perish.
> Look whom she best endowed, she gave the more;
> Which bounteous gift thou shouldst in bounty
> cherish.
> She carved thee for her seal, and meant thereby
> Thou shouldst print more, not let that copy die.

Living organisms preserve their inner genetic structures, and thus conquer death and decay, by reproducing themselves into another generation. But such an answer to the problems of death and decay is as unsatisfactory to Shakespeare as it is to us. Certainly the general type is preserved by reproduction. Asexually reproducing organisms can make exact copies of themselves. But it is precisely the individuality of a loved human being that we miss when he or she is gone, and that individuality is the product of sexual reproduction, which creates a unique recombination of genes for each new birth. In other words, the process of natural reproduction that Shakespeare recommends to preserve his friend's beauty is the guarantee that his individuality, the essence of his beauty, is irreproducible.

Shakespeare's second answer to the problem of time is to eternalize his friend's beauty in poetry, in the very art by which Shakespeare mourns its passing: "But thy eternal summer shall not fade,/Nor lose possession of that fair thou ow'st,/Nor shall Death brag thou wand'rest in his shade/When in eternal lines to time thou grow'st./So long as men can breathe and eyes can see,/So long lives this, and this gives life to thee."

We today are reading those lines, so the solution has worked for 400 years at least. What is especially significant is that poetry is being described as a higher form of natural reproduction. Both are what Shakespeare, in another sonnet, calls "the lines of life, that life repair." These lines of life are the lineage of a family, which replaces the dying with the newborn. But they are also, in context, the lines that a portraitist uses to eternalize the features of a sitter, and they are, most fundamentally, the lines of poetry. It is as if he has guessed that the genetic code that specifies the shape of our bodies is a line or thread, like the long thread of letters that make up a poem.

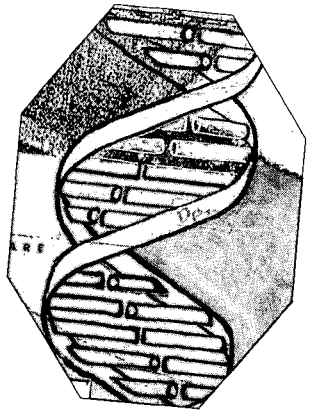
DNA is indeed a thread of nucleotides, which spell out the "words" and "sentences" of the genes, which in turn determine the proteins that make up the human body. The words in which this beautiful relationship is being conducted find for themselves a form of repeated rhymes and metrical rhythms that are able to reprint themselves in memory and books, as DNA does by peeling its double helix apart and printing the sequence of nucleotides anew upon the raw material within the cell. But poetry is a higher form of reproduction, for it can capture and preserve the mind and individuality of an organism, not just its bodily composition. Living reproduction can outwear the enduring metals and stone with which we build monuments to defy the effects of time. But poetry, which is even more spiritual, intangible, and apparently fragile, is more enduring still: "Not marble, nor the gilded monuments/Of princes, shall outlive this powerful rhyme,/But you shall shine more bright in these contents/Than unswept stone, besmeared with sluttish time."

What Shakespeare now does is graft the new, cultural form of reproduction upon the old, biological form: "And, all in war with Time for love of you,/As he takes from you, I engraft you new." Thus, poetry is to living reproduction what living reproduction is to the enduring hardness of the stone and metal out of which we build monuments to defy time's decay. Poetry is grafted onto natural inheritance, so that both the generic and unconscious elements of what we wish to preserve, and also the individual and self-aware elements, are protected. And poetry is in a sense the purest form of manufacture—it makes out of the most valueless raw material of all, breath, a valuable good.

Shakespeare is proposing a kind of gardening economics, a technique of growing value rather than extracting existing stores of it embodied in raw materials or the metabolic capital of the laborer. The brilliant achievements of the 19th-century Industrial Revolution gave us our

most precious resources: the 5 billion people now living and the library of technical knowledge upon which all future progress must be based. But the Industrial Revolution achieved these feats in rather the fashion of a fetal bird in the egg, by drawing down the world's yolk-sac of fossil fuels, high grade ores, topsoil, and perhaps even its peoples' accumulated cultural discipline and moral/aesthetic traditions.

Its methods came from the science of thermodynamics, and its major power source, steam, involved the burning of complex molecules to release their energy. If we see the world in thermodynamic terms, as containing a limited stockpile of free energy which is exhausted by its use to do work, and dissipated into the irretrievable form of waste heat—if the increase of entropy with time is the last word on the subject—then the 19th-century strategy of seizing natural resources and exploiting them makes perfect sense. But if complex intercommunicating feedback systems at the edge of chaos can generate emergent new forms of organization, as such distinguished new scientists and philosophers as Ilya Prigogine are now saying, and as Shakespeare suggests, then a different economics suggests itself, one which can increase the net amount of value in the world.



Shakespeare's reasoning endorses the tweaking and readaptation of natural processes for human purposes. Those natural processes, however, are but precursors and simpler versions of the much more deeply self-referential and multi-leveled processes we find in the human world. The market is just such a complex system.

Shakespeare's concept of value creation is, I believe, remarkably prophetic. Industry today need no longer "burn" increasing amounts of natural order to force its will upon matter and turn out its mass-produced product. Contrary to the prophecies of the doomsayers, the world's requirements for energy seem to be leveling off, and even dropping in the more advanced economies, as market-driven efficiencies emerge. Of course, we will always need energy, just as do the other processes of nature. But we may become able, like a full-fledged bird, to live off the land rather than the fat of our thermodynamic egg.

The power requirements of the Internet are minuscule compared with those of an equivalent exchange of material parcels of information. Industry is discovering the far-from-equilibrium situations that crop up throughout nature, finding ways to "tweak" existing natural processes so as to bring about economically desirable results. Tinkering with a few genes in a test tube, we create immunities that save thousands of bushels of crops from pests and diseases. Industry is making extensive use of catalytic chemistry, chaotic mixing processes, and the like—those processes in the inorganic world that anticipate the ingenious economy of life. Just as microscopic chips of silicon can now efficiently control the roar of a mighty tractor engine, so we can use the efficient leverages offered to us by nature itself to harness the grand natural forces of our living universe.

Industrial chemistry loves to exploit those states of matter at the boundaries between the solid, liquid, gaseous, and plasma states or between different crystalline or chemical configurations, where, far from equilibrium, only a small change of temperature, light, chemistry, or pressure can produce large results. Those results include metals with useful properties, self-adjusting sunglasses, liquid crystal displays, efficient fuel injection, or highly sensitive measuring devices such as the home pregnancy test. The raw materials of the new technology are plentiful and easy to extract: carbon, sand to make silicon chips, air, water. Biotechnology may one day develop perennial cereal crops that will not need tractors to plough them or even, perhaps, petrochemical fertilizers and pesticides. It took a huge expense of coal and oil and iron ore to develop the cybernetic control systems that now require only a few ounces of silicon and a tiny flow of current to maintain, and which are in turn radically diminishing our need for fossil fuels and ores.

Shakespeare's reasoning endorses the tweaking and readaptation of natural processes for human purposes. Those natural processes, however, are but precursors and simpler versions of the much more deeply self-referential and multi-leveled processes we find in the human world. The market is just such a complex system. The market is the drama of concrete human interaction, the theater of the world. Only highly nonlinear, turbulent, and far-from-equi-

librium processes, as the market is, could produce such complex and individuated entities as human personalities and cultures.

Anthropologists and ethologists are now revealing the elaborate web of short-term and long-term economic exchanges that happen within human and animal families; babies are made human by the exchanges they enter into with their parents and close kin. For Shakespeare economic exchange is the embodiment of human moral relations. Unlike our own cruder ethical systems, resulting from the combined assaults of Puritan iconoclastic highmindedness, Enlightenment reductionism, Romantic moral sentiment, and Marxist paranoia, Shakespeare does not make a strict distinction between personal rights and property rights. For him personal love cannot be divided from the bonds of property and service that embody it. When King Lear demands the unconditional love of his daughters—that is, a love that is not mediated by reciprocal material relations—his two corrupt daughters Regan and Goneril are quick to offer it, swearing they love him "more than eyesight, space, and liberty;/ Beyond what can be valued, rich and rare."

But Cordelia, the good daughter, refuses to offer such love: "I love your majesty/According to my bond, no more nor less.../...Good my lord,/You have begot me, bred me, loved me. I/Return those duties back as are right fit,/Obey you, love you, and most honor you." She goes on to point out that when she marries, half of her love and duty will then be owed to her husband.

Though tactless, Cordelia is expressing a wisdom we should pay attention to. If the world is as 19th-century science suggested it was, a deterministic machine that is running down, then the only ethical kind of love would be one that was purely disinterested, a Kantian dispassionate self-sacrifice that gave the advantage over to the other in the struggle to seize and exploit the diminishing stockpile of order. Only thus could one escape the deterministic motivations embedded in our own nature, which would render every interested decision void of freedom and ethical responsibility. But Shakespeare's world, as we have glanced at it in *The Winter's Tale* and the sonnets, is one in which human freedom is not the avoidance of natural motivation but the capacity of creative action; the net amount of value naturally increases, and human creativity accelerates that increase. Both the lover and the beloved can prosper.

The "bond" that Cordelia offers is a combination of reproductive, material, and emotional/spiritual exchanges. In *As You Like It,* Shakespeare defines marriage as a "blessed bond of board and bed," in which three "b" words, *blessed* (the emotional and spiritual element), *board* (the material element), and *bed* (the sexual and reproductive element) are likewise combined in a fourth, the *bond* of the nuptial contract. Most important for us is the way in which the intangible elements of the contract can be cashed, or in Shakespeare's suggestive word, "redeemed," in material terms.

For Shakespeare, value must be embodied to exist, just as the inscription denoting the sovereignty of the mint and the denomination of the coin must be embodied in the intrinsic value of the specie of which it is made. We do not need to embrace the gold standard to understand that paper or electronic money must likewise be based, though at more removes, upon such backing as a gross national product and the consent of the community to the legitimacy of the minting authority.

In *The Merchant of Venice* Shakespeare correctly implies that the word *market* is cognate with the word *mercy.* But how can the market be merciful? Isn't it counterintuitive that *mercy*—and *merci,* the French word for thanks—should come from the same linguistic root as *mercenary, merchant, mercantile, commerce,* and *market* itself? What does the legendary ruthlessness of the marketplace have to do with the free gifts of compassion? If, using the excellent etymological supplement to the *American Heritage Dictionary,* we follow the etymology of this root back to its Etruscan origins, we find the same ambiguity all the way down. The Old French *merci* meant forbearance to someone in one's power; the Late Latin *merces* meant reward, but also God's gratuitous compassion. The Latin *merx* meant merchandise, in the sense that merchandise was something under the purview of the god Mercury, patron of commerce. All these words derive from the name of the god Mercury.

Mercury is an extremely interesting god in this context: As well as being associated with markets, he was the divine messenger, the god of travel and of thieves, and the psychopomp, that is, the god who conducted the souls of the dead to their final destination, whether Hades or the Elysian Fields. Perhaps we can make sense of him thus: As the spirit of communication and exchange, he is that which allows whole systems of connected feedback to come into being. He is thus the patron of change, since systems can change only to the extent to which they can communicate within themselves and with other systems.

Merchants, the "middlemen" of human exchange and often the carriers of news, information, new science, and socially disruptive ideas and diseases, take Mercury to be their leader. The marketplace is the place where both goods and ideas are exchanged, and thus it bears the god's name. Naturally all the illegitimate and cheating forms of communication and exchange—lying and stealing—are also under his aegis. Mercy is kin to thievery; both are unjust. Naturally, too, Mercury conducts human consciousness—itself the product of the internal communication of self-awareness and the external communication of exchange with other human beings in the marketplace of life—across the greatest threshold of change, from life to death.

When we look at some of Mercury's other attributes and associations, he becomes more interesting still. He gives his name to the metal that is liquid, quicksilver, that cannot be held in one place but runs away. Mercy—the things of Mercury—is essentially liquid, as we have already seen. In alchemy, mercury was one of the two primary opposites, sul-

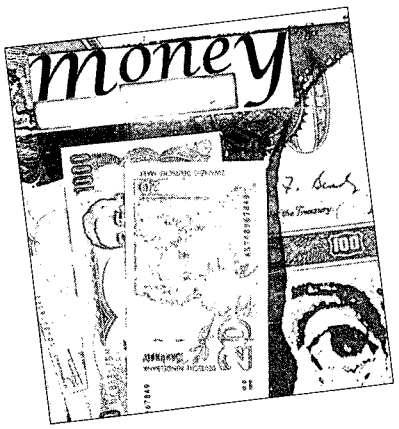
phur—a solid—being the other, whose true union through the evolutionary process of alchemical metamorphosis might produce perfect gold. Mercury's planet was the harbinger of the two great diurnal changes, day into night and night into day, and thus the link between the day world and the night world: Again, Mercury is the reconciler of opposites.

Most interesting of all, he is the possessor of the caduceus, the snake-entwined rod, that ancient and modern symbol of life and its transformative powers. This talisman represents the reconciliation of order and stasis (the rod) with chaos and change (the snakes). The rod is solid, and is often the symbol of justice; the snake is associated with liquid, and is the great symbol of transgression. The snake itself symbolizes the polar opposites of death and healing (its venom can kill or cure), and change and immortality (it changes its skin and thus rejuvenates itself). Like the serpent of Eden, it is the breaker of the status quo, the opener of new perspectives, the originator of new levels of being and consciousness. The caduceus as a whole represents the pairing or twinning by which reproduction takes place, and the transfer of information by which the shape of the parent is communicated, replicated, and immortalized. It so happens that the double helix of the two snakes is an exact model of the shape of the DNA molecule. This is not just a coincidence, for the double helix is perhaps the best intuitive diagram of any feedback process, and DNA is the feedback process of feedback processes. Uncannily, in the symbol of the caduceus the ancient icon makers anticipated the modern discovery of the structure of DNA. Kindness, in both the moral sense and the biological sense, emerges from the kinship bonds that DNA creates.

So the mercy of the market is real. Those who in the Marxist tradition persist in seeing the market as impersonal and merciless are comparing it by implication with the intimate world of uncounted cost and unquestioned trust that they believe exists in the family, in a friendship, in a traditional tribal village, or in a nonprofit organization dedicated to some higher voluntary purpose or liberal art. Perhaps the market is less forgiving than such communities, though anthropologists, sociologists, and novelists have charted the often ruthless politics and unyielding cruelty of families, villages, and universities. But communities of this kind are not the alternative to the market, nor has the market shown any sign of putting an end to them—they flourish still as they always did, and their sphere in society is proportionately no smaller in relation to the market than it ever was.

There are only two real alternatives to the market. One is the way that communities actually treat strangers and outsiders, and the way communities traditionally treat each other, when they are not trading with each other or governed by a higher authority: that is, by enslavement, murder, and war. The other is the utopian rule of an abstract justice in which there could be no room for mercy, since any communication or gift or exchange other than the application of the law would amount to corruption and favoritism. As F. A. Hayek argues, the market is the place where one can begin to communicate with strangers, where one can negotiate, where there is time to haggle and latitude for error, where a loan can be prolonged because the lender wants his money back, where defeat does not mean extinction but the opportunity to pull off a better deal another day. It encourages a basic level of civility, and requires of those who would profit by it a preparedness to take risks in trusting others, even if the risk taking is the margin for error in the quantification of risk when one is estimating the interest one should charge on a loan.

The Shakespearean theater was a kind of marketplace; and that market was one of the preconditions for the emergence of democratic politics. In fact we could even say that true democracy is the political expression of the Shakespearean market.



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CLASH OF THE TITANS

The coming collapse of Social Security pits the baby boom against the New Deal—and the New Dealers have come out swinging.

By Carolyn Lochhead

The baby boom is about to meet the New Deal, and one or the other is going to get crushed when it happens. Sometime around 2012, the 76 million–member baby boom—a generation that equals the combined population of California and the New England states—is going to run headlong into the New Deal's greatest legacy, Social Security. As these two giants lumber toward their inevitable collision, Washington's political forces are gearing up for the clash of the new century.

Arithmetic dictates one of two outcomes: Either baby boomers are going to see their Social Security benefits vaporize under tax increases, inflation, and benefit cuts (really "wither on the vine," to borrow a famous phrase), or Social Security is going to be transformed into something entirely different from what it is today.

That something is, in all likelihood, a partially privatized system, an idea dismissed as a libertarian fantasy less than five years ago, but one that has caught hold in Washington with stunning speed. Indeed,

HENRY PAYNE

in January, President Clinton's own Social Security Advisory Council issued a report offering partial privatization as one of three options to deal with the program's impending bankruptcy. One option maintains the current structure and possibly calls for the government to invest some revenue in the stock market. The other uses mandatory individual savings accounts, but the plan would be administered by the government.

The left has taken notice.

"The party's not over," declares Jeff Faux, head of the labor-funded Economic Policy Institute, which in November held a press briefing to dismiss alarms about Social Security's solvency. The idea of privatization, Faux said, "is driven by a misunderstanding of the way the world works."

This marks the beginning of a battle for the popular mind that will determine what happens to Social Security, and with it, much of U.S. social and economic policy. Just as the New Deal shaped this century, the fight over Social Security will shape the next. Privatization of the nation's biggest government benefit program would have profound consequences—not least, transforming entitlement beneficiaries into stock-market investors.

"The stakes are very high," Faux said. "We're talking about the bedrock of the national social contract."

EPI, joined by a group called the Campaign for America's Future, *The American Prospect* magazine, the AFL-CIO, and former Sen. Howard Metzenbaum (D-Ohio), lately representing the Consumer Federation of America, have begun the public relations groundwork that will set the theme for impending debates in Congress and the media.

The Campaign for America's Future sent out faxes hailing a recent cover story in *Mother Jones*: "Stealth Campaign to Privatize Social Security Exposed: Wall Street, Conservative Ideologues and Some Heretical Democrats Backing Plan." Roger Hickey, co-founder of the Campaign for America's Future, predicted, "It's only a matter of time before *60 Minutes* and *Dateline* expose the downside of privatization....our specific role is to build a political movement."

The anti-privatization groups outline a four-pronged attack:

■ The problem doesn't exist. Social Security's impending bankruptcy is a hoax perpetrated by scaremongers and right-wing ideologues, from the Concord Coalition to the Cato Institute.

■ If there are problems, they can be fixed by minor tinker-

ing with the retirement age, cost-of-living increases, and other tweaks. And any tax increases would be a small price to pay to preserve the New Deal "social contract."

■ The Social Security trust fund is solid. It consists of government bonds, and the U.S. government will never default on its debt.

■ Greedy Wall Street profiteers are behind the push for privatization. Investment houses and mutual funds see a gold mine, but for beneficiaries there is only unwarranted and potentially disastrous risk.

The first claim lays the foundation of all the others. If it is true that there is no fiscal crisis, there is no need to reform the most popular government program in the nation's history and the one that does indeed protect all Americans from destitution in their old age.

EPI's Jerry Mashaw, a Yale law professor, calls the idea that Social Security is unsustainable "nonsense." Henry Aaron of the Brookings Institution called it a "myth." EPI economist Dean Baker argues that the bankruptcy projections are based on "extremely pessimistic assumptions," and that immigration and higher economic growth will bail out the system.

The government will be facing unprecedented liabilities, estimated by the Social Security Administration at a present value of $8 trillion just for Social Security. This debt is the crux of the problem. The government has only three ways to finance it: borrow, raise taxes, or inflate away its value. All have terrible consequences for the public, including Social Security beneficiaries.

These are audacious claims, considering the array of experts and institutions who flatly contradict them. There are very few credible analysts who dispute the actuarial facts or their implications for Social Security. Indeed, the Social Security trustees themselves are the ones forecasting the impending bankruptcy of the trust fund in 2029. They include members of President Clinton's cabinet—Secretary of Labor Robert Reich, Secretary of Health and Human Services Donna Shalala, and Treasury Secretary Robert Rubin—none of them privatization-prone or even heretical Democrats. The Federal Reserve, the General Accounting Office, the Congressional Budget Office, and the Bipartisan Commission on Entitlement Reform each have warned of dire and possibly catastrophic problems if Social Security rolls along unchanged.

In a report last September, the World Bank charted the international dimension of the problem, warning that, across the globe, "old-age systems are in serious financial trouble and are not sustainable in their present form." Europe and Japan face the identical problem of a big postwar demographic bulge colliding with big social welfare programs. The impending debt problem is a worldwide one.

If the trustee projections are pessimistic, as Baker claims, it would be a first. Throughout Social Security's history, the trustees' forecasts have repeatedly proven wildly optimistic. Eight times in the past 10 years alone, the trustees have had to move the predicted bankruptcy date forward.

In 1983, Social Security was supposed to have been "fixed" for 75 years by a huge payroll tax increase that boosted workers' FICA tax to 12.4 percent of wages. Right now, workers are paying some $60 billion a year more in Social Security payroll taxes than the government is paying retirees; this reserve is deposited in the Social Security "trust fund," where it is supposedly resting until the money is needed to pay benefits to boomers. This so-called trust fund is at the root of Social Security's problems, because it simply does not exist in any real sense. In fact, the trust fund has never been more than an accounting fiction devised to perpetuate the myth of a funded pension. From day one, Social Security has been a pay-as-you-go system, where current workers finance the benefits of current retirees.

Nobel laureate economist Paul Samuelson once described Social Security as the world's biggest Ponzi scheme (no free market enthusiast, Samuelson meant it approvingly). Like any such scheme, it works wonderfully in the beginning, when there are many more people paying into the system than are drawing out of it. Those who get in early pay little and receive big benefits. But for those who get in late, the returns fall sharply and soon turn into losses.

The baby boomers are definitely latecomers. Their numbers present an unprecedented problem for Social Security, greatly compounded by other programs, such as Medicare, that are in even worse shape. Boomers have paid in big taxes that are funding generous benefits and cost-of-living increases for current retirees. But when boomers retire, the much-smaller generations that follow them will be unable to pay those benefits without a major tax increase. The future tax increase for Social Security is expected to raise the program's take to 17 percent of payroll; adding in Medicare and using more pessimistic projections could take it up to 33 percent as the bulk of the baby boom reaches retirement.

Payroll taxes of that magnitude are probably not politically feasible. By eating up paychecks, they would create major economic distortions and would undermine support for the programs. When Social Security started, it cost a modest 2 percent of payroll and churned out enormous returns for beneficiaries, ensuring its public popularity. But now those ratios are beginning to reverse. A 33 percent payroll tax that funds smaller benefits would hardly be as popular or easy to justify. As it is, Social Security payroll taxes are incredibly regressive, hitting

relatively poor workers much harder than relatively wealthy ones. Higher rates would only boost that burden and create even more powerful incentives for low-wage workers to go on the dole.

In fact, the returns to Social Security payroll taxes have already fallen sharply, which helps explain why it has become politically possible to criticize the program. Workers who retired 20 years ago received all that they paid in, plus interest, and much more. Those who retire today get roughly a 2.2 percent return, adjusted for inflation. A 30-year-old worker will actually lose money in absolute terms when he or she retires.

The trust fund myth was deliberately perpetrated at Social Security's inception as a way to deceive middle-class taxpayers into thinking that they were contributing to their own retirement. Franklin D. Roosevelt famously crafted the illusion of a funded pension so that Social Security would not look like welfare, ensuring that "no damn politician" could repeal it. Every politician since, Republican and Democrat, damned or otherwise, has happily gone along with the deception.

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The money that goes into the so-called trust fund is being spent as fast as it comes in. The current surplus of Social Security taxes over benefits is merely masking the size of the general government deficit. Instead of a pile of money for future benefits, the trust fund consists of a pile of government bonds, or IOUs. The money left to pay them has already been spent to cover government expenses. And the bonds can be redeemed only by more borrowing, higher taxes, or inflation.

The only way the government could set aside money in a trust fund would be to run annual surpluses. But the government instead has been running chronic deficits for the past three decades. As Sen. Daniel Patrick Moynihan (D-N.Y.) pointed out during the 1990 budget brawl between Democrats and the Bush administration, honesty would dictate that the Social Security tax be reduced to cover only current benefits. All that the 1983 "fix" did was massively raise taxes on workers and allow the government to mask the extent of its deficit spending.

The projected trust fund bankruptcy date—which even Social Security defenders concede is at least a minor problem—is 2029. That is when the trust fund is expected to run out of bonds. Defenders say that this faraway date allows ample time to make provisions, hence there is no immediate crisis warranting radical action.

Yet the 2029 date is hardly more relevant than the trust fund itself. Because the trust fund consists only of debt, the date to watch is 2012. That is when Social Security outlays are expected to start exceeding tax revenue. It is also, not coincidentally, when boomers begin retiring. At that point, current taxes will no longer cover current benefits, and the Social Security deficit will begin to escalate very rapidly.

The claim that the government will not explicitly default on its trust fund bonds is a legalistic point at best. The government will be facing unprecedented liabilities, estimated by the Social Security Administration at a present value of $8 trillion just for Social Security. This debt is the crux of the problem. The government has only three ways to finance it: borrow, raise taxes, or inflate away its value. All have terrible consequences for the public, including Social Security beneficiaries. The Congressional Budget Office recently warned that such unsustainable debt burdens pose the threat of economic catastrophe, including spiraling interest rates, inflation, and the collapse of the stock market and the dollar.

Social Security's defenders do have a valid point when they argue that relatively small adjustments such as pushing back the benefit age and lowering or withholding cost of living allowances in the system now could help. Due to compounding, any reduction in benefits now would save huge amounts of money later. However, such action would also worsen the rate of return the baby boom is getting on its "investment" in Social Security.

Tax increases would be even worse because they would go into the nonexistent trust fund and do nothing to remedy the long-term problem unless the government simultaneously begins running budget surpluses. If it does not, any extra taxes would simply mask current deficit spending, as they have been doing since 1983, while leaving less money for workers to save for their own retirement.

Privatization has caught hold with policy makers because it offers a way out of this box. Under a privatized system, workers would pay the same payroll tax, but the money would go into their own personal accounts, rather than into the so-called trust fund. Just like the payroll tax, the savings would be mandatory, but the money would be in annuities and other private financial assets.

This is the essence of privatization's appeal. Workers would still be required to pay for their retirement, but instead of their payroll taxes going to the government to finance current retirees, the money would go into a personal savings account that would be invested in private securities markets, and the returns from

the worker's taxes would flow directly to the worker. Chile pioneered the model with enormous success, and Argentina, Peru, and Colombia are following suit. Chile's returns have averaged 12 percent since the program's inception. The other countries are leaving the old system intact and giving new workers the option of joining a privatized or state-run system.

The transition costs to a fully privatized system would be enormous, because payroll taxes would be diverted from current retirees into private accounts. A full privatization now would cost around $100 billion. To cover payments to current beneficiaries, the government would have to borrow the bulk of the money. Critics point to the transition costs as the killer of any full-scale privatization plan. However, the changeover merely makes explicit a debt that already exists. And over time, as economist Martin Feldstein notes, privatization would gradually transform Social Security from an unfunded, pay-as-you-go system to a fully funded pension with real assets instead of promises.

Because Social Security redistributes income from high earners to low earners, partial privatization, or a two-tier system that would preserve this redistribution function, is now under the most serious consideration in Washington. Under these proposals, a portion of the payroll tax, say 5 percent, would be invested in personal saving accounts. The rest would maintain a safety net under poor retirees, the disabled, and their dependents. The remaining 7 percent would go to current beneficiaries and the poor.

Those who have invested in stocks and bonds face big political risks if the system is not changed. Unless action is taken to reduce U.S. debt, there is clear potential for a debt-induced economic collapse as outlined in a May 1996 CBO report: Spiraling debt and soaring interest rates begin a vicious feedback cycle leading to economic contraction, inflation, and a collapse of the stock market and the currency.

This points to the real reason why privatization has its critics up in arms, warning of the demise of the "social contract." Any privatization plan would make Social Security's redistributive function very explicit. Workers could clearly distinguish between their tax money that was being deposited in their private accounts and their tax money that was being diverted to current retirees, particularly poorer retirees. As soon as that distinction becomes clear, worker support for the current program would begin to dissolve. Social Security in its current form would be seen much more clearly as a welfare program, and for the first time in its existence would stand in danger of losing political support. That is why attacks on privatization so quickly shift to "Wall Street greed."

Without better facts to make the "no problem" case, Social Security's defenders will have to rely on emotional and political arguments, and Wall Street greed fits the bill. Such attacks will gain currency in the media and on the Senate floor and in the White House briefing room. Whether they will catch on with the millions of people who already traffic with Wall Street in their own stocks, bonds, and mutual funds, along with 401(k) and pension investments, remains an open question. There is no question that Wall Street financiers stand to benefit greatly if billions of dollars shift from the public sector to the private capital markets. Then again, future retirees similarly stand to benefit greatly.

As to stock market risk, it does indeed exist, but not in a vacuum. It must be viewed in the context of the equally real political risk to current Social Security benefits, including the potential for drastic cuts in benefits and increases in taxes that would hurt poor people most. A RAND Corporation study in 1995 found that the entire net worth of nearly all poor workers and about half of the middle class now consists of promises of Social Security and other old-age government entitlements. The risk those people face right now under the current Social Security system is enlightening.

Similarly, those who do have savings and 401(k) plans and have invested them in stocks and bonds and other financial instruments face big political risks if the system is not changed. Unless action is taken soon to reduce U.S. debt, there is clear potential for a debt-induced economic collapse as outlined in a May 1996 report by the CBO: Spiraling debt and soaring interest rates begin a vicious feedback cycle leading to economic contraction, inflation, and a collapse of the stock market and the currency.

Argentina, Brazil, and other Latin American countries in the late 1970s provide the model for ruin. Unsustainable debt burdens—fueled by populist promises and harangues against "capitalist greed"—destroyed the economies of once-rich countries, eviscerating their middle classes and leaving their poor in destitution.

In essence, the arguments over Social Security follow the same paths that for a century have divided right and left, between faith in individuals and faith in the state. As EPI's Mashaw warned, under privatization, "People would get to choose what to invest in and what to do with the money when they take it out." He predicted that people would take their life savings to Indian casinos.

One side sees casinos and the end of the social contract; the other sees booming capital markets and personal freedom and responsibility. Trust fund or mutual fund, which will it be? The race to decide is on, and the stakes are very high indeed. ◆

Contributing Editor Carolyn Lochhead is Washington correspondent for the San Francisco Chronicle.

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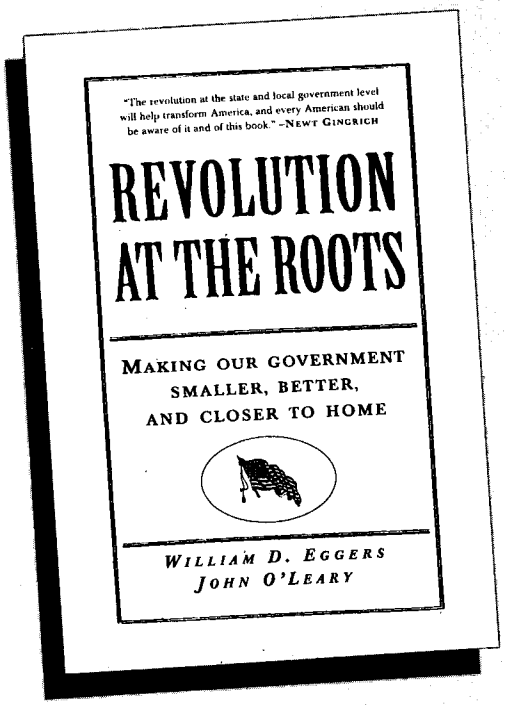
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We the 50 Peoples

State constitutionalism challenges the federal judicial leviathan.

By Brian Doherty

Hawaii recently panicked the nation when a state judge there declared that prohibiting same-sex marriages violated the Hawaii constitution's equal protection clause. The decision is being appealed to Hawaii's Supreme Court, which previously sent the case back to the circuit court, demanding that the state must meet a strict burden of proof for the necessity of denying same-sex marriage rights. (See "Gay Rites," January 1996.) When the rest of the country caught wind of the Hawaii Supreme Court's willingness to overthrow the same-sex marriage ban, the reaction was swift and sure: Congress passed and President Clinton signed a law that allows other states not to honor the marriages, in contradiction to the Constitution's "full faith and credit" clause.

When you think Constitution, you probably imagine the Supremes, those nine contentious, berobed guys and gals in their august Washington halls. But such brethren aren't just in D.C. Every state has its own set, interpreting its own constitution. While the federal Constitution guarantees a certain minimum protection of citizens' rights, that's just a floor. States can set a higher ceiling. Hawaii's Supreme Court caused a ruckus, but its decision to expand a right beyond the federal standard is as American as outrageous tort lawsuits.

Hawaii isn't the only state thumbing its nose at federal courts. After a half century of moribundity, in which federal courts were the arena for most fights over citizens' rights, state courts are more and more establishing higher ceilings for what *they* see as citizens' rights. What state courts call "rights" can stretch from freedom from police searches to the right to state money for abortions—so these decisions are often controversial. As state courts are changing the lives of specific litigants *and* developing new legal biospheres for their states, they also face charges of playing politics instead of the disinterested judge.

The new wave of state constitutionalism isn't just abstract judicial ideology—it has real effects in the lives of real people:

- A Maryland citizen won't lose his farm for having a couple of pounds of marijuana in his backyard barbecue.
- People in Kentucky, Michigan, and Texas can engage in oral or anal sex in the privacy of their home, without fearing jail time.
- Cops in New York and Montana can't search your entire property up to your house's door looking for probable cause for arrest, even though the "open fields" search doctrine embraced by the U.S. Supreme Court allows that.
- An arrested suspect in Pennsylvania doesn't have to worry about cops searching his car without a warrant, and a passenger in a car whose driver was arrested doesn't have to let a cop rummage through her purse.
- Judges in Texas can't impose gag orders that prohibit discussing a lawsuit outside a courtroom, despite federal permission for those restrictions under some circumstances.

After a half century of moribundity, state courts are more and more establishing higher ceilings for what *they* see as citizens' rights. What state courts call "rights" stretches from freedom from police searches to the right to state money for abortions.

Of course, if you disagree with the policy decisions inherent in such judicial rulings, the whole movement can seem like politics sailing under a judicial flag of convenience. Such accusations are perhaps inevitable in legal debates, which are matters of rhetoric and persuasion, not mathematical precision. Most people who praise or condemn judicial federalism, suggests University of Chicago law professor Richard Epstein, do so because of the results they believe it's likely to produce. "There's no one thing you can say about this trend," says Epstein. "Most objections to the practice [of expanding rights beyond federal standards] are to the substantive decision, not the diffusion of authority."

The fact that state courts have been disagreeing with the feds more and more is a sign, Epstein surmises, of a deeper loss of legitimacy and splintering of thought in legal philosophy and practice, and in intellectual culture at large. "I'm amazed at how much the degree of disagreement in the law has changed since I was in law school," Epstein says. "In 1970 the disagreement was over 30 degrees [of the legal philosophical spectrum], now it's over 180 degrees." As cultural and philosophical divisions widen, Epstein says, institutions like the Supreme Court have a harder time maintaining a broad legitimacy.

State constitutions preceded the federal Constitution; its Bill of Rights was largely modeled after already existing state bills of rights. In America's early days, state courts guarded their prerogatives jealously, and until the 1920s federal courts didn't enforce the Bill of Rights on the states at all. During the '60s, the Warren Court stepped up such federal enforcement aggressively. Federal courts usurped most bill-of-rights action.

Law arises from the arguments lawyers make—and when civil liberties action was in the federal courts, that's where lawyers flocked. The go-to-the-feds mindset arose from the civil rights battles of the '50s and '60s, says Timothy Lynch of the Cato Institute, who writes about and cheers growing state constitutional activism. "Back then the attitude was, 'They're battling Jim Crow down South. The state courts are stagnant backwaters. The action is in the

federal courts, that's where we can get results.' It's been hard for lawyers to break out of that mindset."

Thomas B. Stoddard of the Lambda Legal Defense Fund, a gay rights legal activist group, told *National Journal* in 1991, "If I had my druthers, I would rather go to the Supreme Court and liberate every single state in the union." But the federal Supreme Court's *Bowers v. Hardwick* decision in 1986 upheld a Georgia sodomy law—and by implication any other state's sodomy law.

Hawaii's apparent willingness to let Genora Dancel and Ninia Baehr marry is just one example of a resurgent activism among state constitutionalists.

DENNY LEE

So Lambda is now pursuing cases against sodomy laws in state courts on state constitutional grounds, with some successes. "State courts recognize that their state constitutions provide greater security for individual rights than does the federal Constitution in many cases—specifically when it comes to privacy and equal protection," says Lambda staff attorney Suzanne Goldberg. "So we've chosen the states as a deliberate strategy."

The federal Supreme Court's rights juggernaut slowed down in the late '70s and early '80s. With the Rehnquist Court in full swing, liberal former Supreme Court Justice William Brennan declared a renaissance in state constitutionalism in a speech in November 1986. By 1991, legal scholar Ronald L. K. Collins had counted 750 decisions where state supreme courts, relying on their own state constitutions, extended citizens' rights beyond federal Supreme Court precedent.

Jennifer Freisen, a professor at Loyola Law School in Los Angeles and author of *The State Constitutional Law: Litigating Individual Rights, Claims and Defenses*, says state constitutionalism "is still resurging. It's so heavy I can hardly keep up with it." Freisen has compiled more than 1,200 pages of decisions where state courts have consulted their own constitutions to reach conclusions about citizens' rights different from the federal Supreme Court's decisions under similar circumstances.

State constitutions still don't enjoy

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much respect. James A. Gardner of the Western New England School of Law argued in a 1992 *Michigan Law Review* article that we shouldn't even consider state constitutions "constitutions" in the same sense as the federal one.

Unlike the federal document, state constitutions aren't streamlined, long-lasting edifices. America has had 146 different state constitutions; 31 states have had two or more constitutions, and 18 have had four or more. And as of 1985, America's state constitutions had been amended more than 5,000 times.

The average state constitution is four times as long as the federal one, and some are eight times as long. And they are often larded with material that seems more the stuff of statute—or humor—than of the sacred compact binding a people into political unity. Louisiana amended its constitution to make Huey Long's birthday a state holiday. Texas's constitution declares that banks may use automated teller machines. The width of ski trails in state parks is a constitutional matter in New York.

State court judges themselves don't treat their constitutions with much respect, Gardner found. He argues that "contrary to the claims of New Federalism, state constitutional law today is a vast wasteland of confusing, conflicting, and essentially unintelligible pronouncements." Gardner sampled 1,208 state supreme court decisions from 1990 and found that in only 21 percent of the cases did the court even attempt to address state constitutional issues.

The new state constitutionalism may not yet have matured into a coherent judicial philosophy. Still, state courts have made a batch of decisions in the past decade expanding different constitutional rights beyond federal standards. Search-and-seizure cases have been busy arenas for state court activism; states such as Hawaii, Pennsylvania, New York, and Arizona have explicitly prohibited various kinds of police searches and seizures that have been countenanced by the federal Supreme Court.

New York has been a leader in expanding Fourth Amendment rights, but not everyone is cheering. Peter Reinharz, a prosecutor with New York City's Family Court Division, publicly excoriated his state's decisions regarding search and seizure in a recent issue of *City Journal*. Like most critics of the new state constitutionalism, Reinharz doesn't attack the *concept* of state courts relying on their state constitutions for independent reasoning, but he does question the judges' policy wisdom.

"I've been a prosecutor for 15 years," Reinharz says. "There's not one cop on patrol who can explain to me what the four tiers [established by New York courts to test proper searches] are about. You can't design tests that can't be interpreted by the people to whom they must apply."

Reinharz complains that the relevant language in the state and federal constitutions regarding protection from searches

Twenty-two state constitutions explicitly say you can use guns for personal defense, and 20 weapons laws have been overturned based on state constitutional guarantees, dating back to 1822.

is absolutely identical, so no textual reason exists for departing from federal Supreme Court precedent. Cato's Lynch says he frequently encounters such arguments. "It's like people view it as somehow impolite to tell the Supreme Court, 'Sorry, but we reject your reading.'"

State constitution watcher Jennifer Freisen adds, "I don't believe the U.S. Supreme Court is infallible. I don't worship them. They could be wrong. If a [state court] decision is based on decent legal reasoning, there's no reason to fetishize the Supreme Court, to fetishize centralized power."

Explicit *differences* in the language of similar federal and state rights guarantees often have a role in the new state constitutionalism as well, as with the right to bear arms. Twenty-two state constitutions explicitly say you can use guns for personal defense, and 20 weapons laws have been overturned based on state constitutional guarantees, dating back to 1822. "In a lot of cases, state constitutions aren't monkeyed up with 'militia' clauses," says Stephen Halbrook, an activist lawyer and gun rights scholar who has argued many gun rights cases in both state and federal courts. "A lot have phrases like 'defense of self and state.' The first gun control law in American history was in Kentucky, and the state court promptly overturned it."

Today, after a recent series of disappointing decisions in such states as Ohio, Oregon, and Colorado upholding weapons bans that Halbrook thinks clearly violate their state constitutional weapons-rights guarantees, he's no longer so sure that state courts are any better than federal ones on gun rights.

Along with being tougher on government intrusions on citizens' liberties, state courts have also extended some "rights" that are in fact obligations for others—insisting that their state governments are constitutionally required to be more generous with tax dollars. Despite a federal Supreme Court decision to the contrary, the states of Minnesota, California, Montana, and New Mexico have decided that it would be positively unconstitutional to limit public funding for abortions.

That state courts are making decisions relying on their own constitutions, their own text, their own history, and their own judgment is an encouraging sign that political power in the United States doesn't have to be calcified in a central leviathan. While federalism leaves room for the multiplication of error, the more states realize they don't have to obey the federal government, in judicial precedent or other areas, the more room to maneuver the American citizen has—the more room for social and legal experimentation and evolution.

Even James Gardner, one of the fiercest academic critics of the state courts' legal reasoning, recognizes the new state constitutionalism's potential value. "Despite their shoddy methods, I came to the conclusion that I don't think states need any other reason to depart from Supreme Court precedent than that they think the Supreme Court was wrong," Gardner says. "We don't have a state and federal government to provide different polities with different values and to constitutionalize them. It's to provide two different avenues of protection for rights that we as Americans have decided we have." ◆

Brian Doherty (BMDoherty@aol.com) is assistant editor of REASON.

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Erogenous Zones

New York porn shops say goodbye to Broadway.

By Todd Seavey

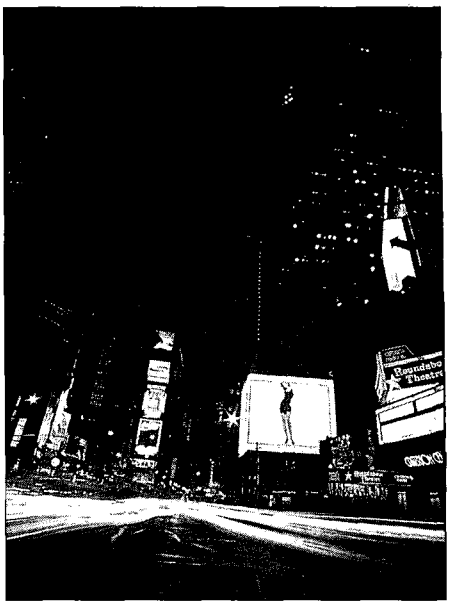
The replacement of the traditional marquee messages on New York City's 42nd Street with off-putting, sometimes shocking, slogans happened quickly. Where a world-famous walkway of sexual entertainment had once promised "Peep Shows!," "Lesbian, Bondage, European," and "All Nude All the Time," a disconcerting wave of government-sponsored modern-art phrases began to appear. "Is this true or only clever?" asked one. Another said, "All art is either revolution or plagiarism." The slogans graced the otherwise barren fronts of buildings the city government had bought or condemned.

This was the most visible manifestation of the city's ongoing effort to eliminate most of the adult entertainment outlets near Times Square—establishments such as Courageous Books, Peep O Rama, and the Adult Entertainment Shopping Center—and create a more family-friendly area for hotels and mainstream theaters, encouraging new investment. Already, a children's theater has opened on what was once the 42nd Street walk of porn.

Severe restrictions on New York City's remaining adult video stores, book shops, movie theaters, peep shows, strip clubs, and topless bars were scheduled to take effect on October 25. A state Supreme Court justice rejected a constitutional challenge on October 23, but implementation of the rules was delayed pending appeal. Under the ordinance, which the City Council approved by a 41–9 vote in October 1995, adult entertainment establishments are largely banished to outer boroughs, waterfronts, and commercial zones. They are not allowed to operate within 500 feet of each other or within 500 feet of schools, places of worship, or residential areas. The city predicts that fewer than 30 of 177 known sexual entertainment outlets in New York will be permitted to remain at their current locations. That means closing or moving more than 80 percent of the businesses.

For purposes of regulation, the law defines pornography (in part) as visual materials or live performers displaying any of the following: human genitals during sex or in a state of arousal; "actual or simulated acts of masturbation, intercourse, or sodomy"; or "specified anatomical areas," including "human male genitals in a discernibly turgid state, even if completely and opaquely concealed." A video or book store with more than 40 percent of its stock devoted to such material qualifies as an adult entertainment establishment. The rules would not affect mainstream entertainment stores with small porn sections, such as the new Virgin Megastore at Broadway and 45th Street (despite its suggestive name). The ordinance follows the state's definition of strip clubs and topless bars, based on the degree of undress and the proximity of performers to customers.

The owners of these businesses are not taking the city's edict lying down. Seventy-seven of them have hired Manhattan lawyer Herald Price Fahringer to challenge the ordinance on First Amendment grounds. Fahringer asks, "If somebody said we want to do all this [redevelopment], but we don't like all these kung fu movies and violent films—how large a step is it?" Norman Siegel, executive director of the New York Civil Liberties Union, is also challenging the law. He represents Rachel Hickerson, a member of Feminists for Free Expression who is suing as a consumer of pornography. (She goes to strip clubs and watches adult videos.) Fahringer and Siegel emphasize that the fare offered by businesses such as Peepland Adult Center and Dangerous Curves is constitutionally protected. While the U.S. Supreme Court has upheld bans on "obscenity," in a city like New York little or nothing falls into that category, which is defined according to community standards.



The times they are a-changin': New York City's new ordinance is forcing most porn shops in Times Square to move or close down.

ARCHIVE PHOTOS/NEIL STRASSBERG

Although the city may not impose an outright ban on adult entertainment, the Supreme Court has upheld zoning restrictions on such businesses, so long as the rules are not prohibitive. The challenges mounted by Fahringer and Siegel therefore hinge largely on issues such as the costs borne by businesses forced to move and the feasibility of the alternative locations permitted by the city. "They've said, You go to the piers, the wetlands in Staten Island, the outer reaches of Queens and Brooklyn," complains Fahringer. He says some of the areas designated for adult establishments have "no roads and no sidewalks," which means that merchants who rent their current spaces might have to spend hundreds of thousands of dollars for construction if they relocated. "The Supreme Court has held that you've got to make reasonable accommodations," Fahringer notes. "That's an important issue that I think we should ultimately prevail on."

Siegel concedes that zoning restrictions have been upheld before, but he argues that "the new regulations are more repressive, more restrictive. We think the previ-

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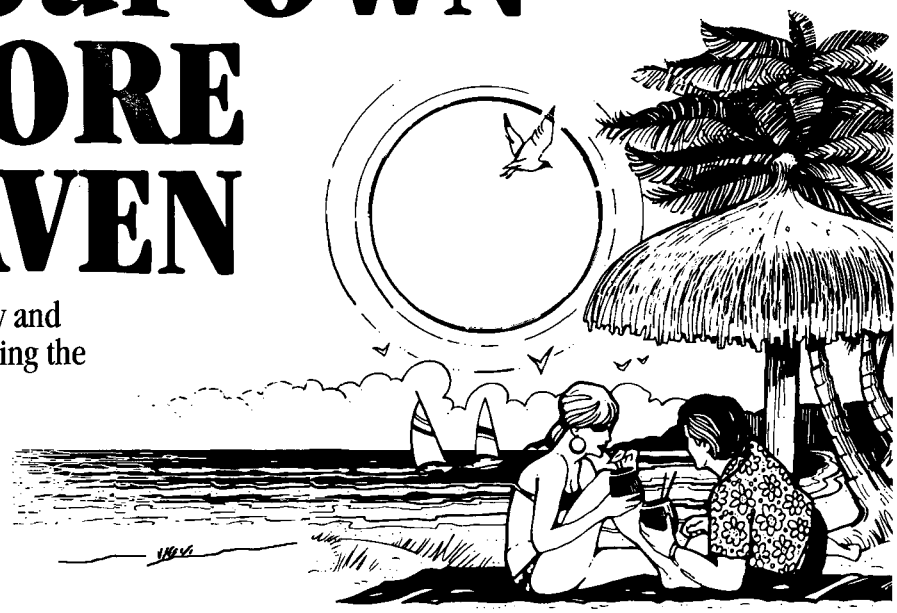

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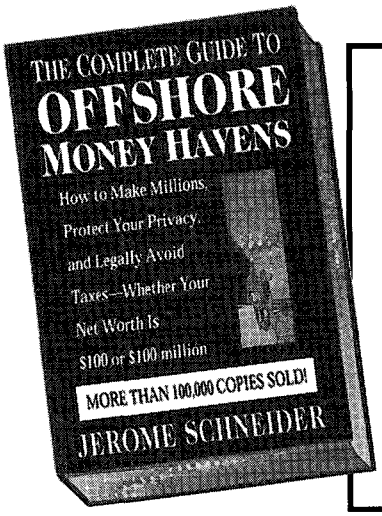

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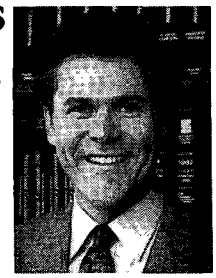

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About the Author ...

Jerome Schneider is a foremost authority on international finance and investing. For more than 20 years, he has helped businessmen, investors and entrepreneurs make and save fortunes using the world's offshore financial centers.

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Reason

ous decisions were wrongly decided, but even if they weren't the new rules are unconstitutional." The city is relying largely on the 1989 New York State Court of Appeals decision *Town of Islip v. Caviglia*, which allowed the town to restrict the growth of red-light districts without banning them. "In that case, though, all the existing businesses survived," notes Siegel. "In our case, most of them wouldn't."

Some residents of neighborhoods where displaced porn outlets will be allowed to relocate are not happy with the plan either. In one Chinese neighborhood in Brooklyn, there has been talk of combating an encroaching sex zone by opening more churches, making the creation of new adult entertainment establishments geographically impossible. Some of the boroughs likely to see an influx of fugitive sex shops have already fought local porn battles. In Brooklyn, the nude dance club Steam Heat has been at the center of a protracted building permit dispute, and in Queens protesters have sought to curb the spread of clubs such as Wiggles and Naked City.

Times Square, on the other hand, has been a red-light district since the Depression era, when Mayor Fiorello LaGuardia fought to shut down a small empire of burlesque houses run by Bill Minsky. There is little pretense that the new rules are aimed at preserving a cozy residential neighborhood in Times Square. Mayor Rudolph Giuliani, who has long promoted the porn restrictions, is eager to make parts of New York City more attractive to major businesses, whether by shutting down street vendors and flea markets, intervening in neighborhood disputes over the opening of big chain stores, or seizing control of mob-influenced truck unloading operations at the Fulton Fish Market. The porn re-zoning puts Giuliani squarely on the side of big investors such as Disney, which has already renovated the large New Amsterdam Theater near Times Square, and against another industry with mob ties and an unwholesome reputation.

Al Goldstein, editor of *Screw* magazine, sees the new regulations as yet another assault in the war against sexual expression. Goldstein was recently involved in a porn-defending lawsuit himself, arguing along with stripper and TV host Robin Byrd that the adult programming on Manhattan's "commercial use" cable channel should not be scrambled. "New York will always be a Neanderthal [place] because politicians are at the helm here," he says. "Politicians run the city, and they're whores. They give real prostitutes a bad name." Goldstein doesn't expect anything momentous to happen as a result of the ongoing court battles over the new rules. Instead, he sees the dispute as a footnote to an age-old social struggle. "Remember, the Puritans left England and came to America," he says. "We're a sex-hating, body-hating culture."

But New York politics is rarely as simple as free speech vs. prudery. The city routinely uses land-use regulations to favor certain interests over others, and many quieter zoning battles go largely unnoticed. At the same time that the porn restrictions were making news, for instance, a struggle was going on over whether to rezone Eighth Avenue to allow the sale of retail items that require large cardboard boxes. Large cardboard boxes, of course, don't spark the kind of First Amendment debates that porn does.

Walter McCaffrey, one of the City Council members who voted for the new porn rules, says the focus on "secondary impact" problems and the availability of alternative locations for affected businesses should satisfy First Amendment concerns. "Basically," he says, "the quality of life in the area had been jeopardized by a whole host of low-level crimes and a decrease in property values." Gretchen Dykstra, president of the Times Square Business Improvement District, takes a similar position. "If you open a bowling alley," she says, "it doesn't necessarily discourage opening a supermarket next door. Pornography does....If you let the market rule on this issue, you'll see that the pornographers move into areas with depressed property values near transportation hubs....You then destroy the neighborhood." The new rules mean "no neighborhood ever has to become a red-light district," she says. "I think this was crucial to the renovation," the single biggest step toward removing Times Square's "quality of life problems and image problems."

Fahringer, the sex shop lawyer, doesn't buy the quality of life argument. "There's no evidence that the adult establishments result in negative secondary effects," he says. "The city did a study a couple of years ago that showed no rise in crime or decline in real property values." Although the secondary effect studies are ambiguous—adult establishments may simply help worsen the reputations of already declining neighborhoods—most New Yorkers would concede that Eighth Avenue is pretty creepy at night.

But businesses offering sexually explicit entertainment don't have to be loud, intrusive, and offensive to passers-by. Contrast, for instance, the garish, in-your-face facade of Show World Center on Eighth Avenue near 42nd Street with the relatively demure exterior of the Private Eyes strip club around the corner (or, for that matter, the atmosphere at a neighborhood video store or newsstand that happens to sell pornography). Even Goldstein says greater discretion on the part of porn merchants might be a good way to avoid conflicts. "I don't want this stuff forced on people," he says. Right now, parts of Eighth Avenue look like a neon-drenched Las Vegas of porn. Manhattan Borough President Ruth Messinger has suggested using milder rules to address aesthetic concerns and any low-level crime problems while avoiding the constitutionally shaky route of shutting down porn shops. Existing sign regulations and public nuisance laws could be more strictly enforced to discourage lewd storefront posters or drunken patrons.

Messinger is especially concerned about the possible impact of the ordinance on

Some residents of neighborhoods where displaced porn outlets will be allowed to relocate are not happy with the plan either. In one Chinese neighborhood in Brooklyn, there has been talk of combating an encroaching sex zone by opening more churches, making the creation of new adult entertainment establishments geographically impossible.

gay-oriented businesses. Members of the gay activist group Empire State Pride Agenda have criticized the new rules, saying they threaten to shut down businesses that provide condoms and AIDS information in addition to pornography. Although the main intent of the law is to transform red-light districts, not Greenwich Village, New York City's gay community, which saw decades of repressive bar raids, has learned that sweeping laws passed for one purpose can later be selectively enforced for another.

Speaking of unintended consequences, the ordinance could actually be a boon for some porn merchants. Gretchen Dykstra says Richard Basciano, king of Times Square porn and one of Fahringer's clients, is "sitting on a gold mine" because he owns a lot of real estate in the area and stands to benefit from the expected influx of investment. And she thinks Basciano would be happy to see a lower concentration of porn shops. "He doesn't want competition," she says.

Who does? "Personally, I think the best places will survive and the others will go," says John Wilson, manager of the Big Top Lounge, a topless bar on Eighth Avenue. Big Top features a Hug 'n' Squeeze room in which customers can have close encounters with employees, a feature Wilson says is "similar to a '60s slow dance." Wilson is not troubled by the government's desire to limit the proliferation of adult entertainment establishments—which have increased by more than a third in New York since 1984—but he wishes the city wouldn't drive out established businesses such as his. "Times Square should be the Mecca of New York," he says. "I happen to agree with that, but I think they should grandfather in the places already here."

Most store operators are similarly hoping they can stay put. The owner of Manhattan Video on West 39th Street is contemplating shifting his stock toward female wrestling movies and fetish films that feature activities such as spanking and foot licking. While kinky, such films are not pornographic according to the city's precise anatomical definition.

Todd Seavey is a New York City writer whose work has appeared in National Review, Chronicles, *and* Spy.

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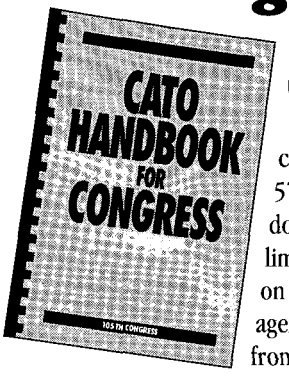

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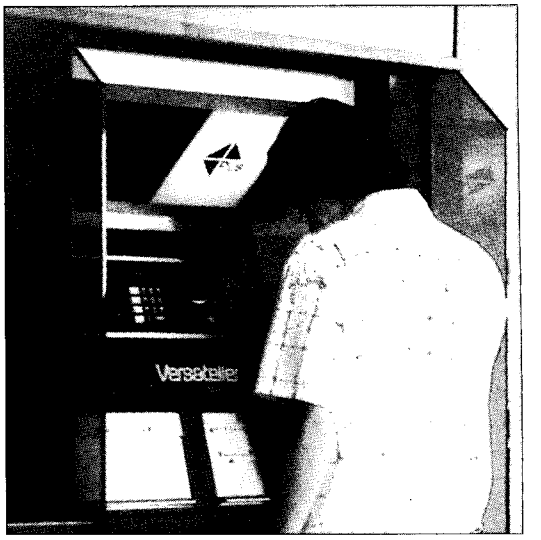
Epistles to the Heathen

By Nick Gillespie

Libertarianism: A Primer, by David Boaz, New York: The Free Press, 336 pages, $23.00

What It Means to Be a Libertarian: A Personal Interpretation, by Charles Murray, New York: Broadway Books, 200 pages, $20.00



For David Boaz, the ATM is no mundane convenience. It's a wondrous example of how markets create a "worldwide network of trust."

Libertarianism: A Primer, by David Boaz, and *What It Means to Be a Libertarian: A Personal Interpretation*, by Charles Murray, are rock-solid, engaging introductions to libertarian tradition and thought. Both books are also essentially epistles to the heathen, attempts to convert the unconvinced into true believers. Reading them, I thought often of one of my college roommates, an evangelical Christian who took the evangelizing part pretty seriously. (Not being religious myself, we eventually worked out a sort of non-proselytization pact.)

My roommate's main strategy revolved around disseminating religious tracts with the enthusiasm of, well, a religious zealot. He bought boxes and boxes of the things. Each tract was a palm-sized comic book that used incendiary language and graphic images to make the point that you should "invite Jesus into your life to become your personal savior." Colorfully titled ("The Gay Blade," "Hell Isn't For Heroes," "This Was Your Life"), some of the tracts told cautionary tales of sinners in the hands of an angry God, while others depicted successful conversion narratives in which the protagonist saved him or herself by accepting Jesus.

My roommate distributed the tracts around campus in various ways. Some he would force on people waiting in line at the cafeteria. Some he would leave on top of pay phones. Some he would sandwich between the pages of library books. The idea was to circulate the tracts as widely as possible, ever increasing the odds that a non-believer might stumble across and embrace the Word. My friend was not so naive as to assume that reading any single pamphlet would start a person down the road to Damascus. Rather, he explained to me, the goal was to get the ideas out, to make them part of the general atmosphere. You could never know, he said, what might provide the final nudge that causes a person to walk into the light. In a sense, my roommate told me, all conversions are accidents of being in the right place at the right time. But, he added, there are ways of making them accidents waiting to happen.

A similar process undergirds all successful outreach, whether the goal is to save a man's soul, to demonstrate with finality that A is A, or to convince someone, as the libertarian writer Frank Chodorov valiantly, vainly strove to in 1954, that the income tax is the "root of all evil." Over the years, I've made a habit of collecting conversion stories of fellow libertarians, and the results suggest that accidents happen all the time. One person felt the scales drop from his eyes as he watched a minutes-long Ed Clark for President television spot in 1980. I bought a used car from a libertarian (a terrifying thought!) who'd come in from the cold after taking the "World's Smallest Political Quiz," originated by Libertarian Party founder David Nolan. In the pages of REASON, humorist Dave Barry spoke of being persuaded by his friend, libertarian writer Sheldon Richman. (See "'All I Think Is That It's Stupid,'" December 1995.)

More often, though, the conversion stories include unplanned encounters with books: the writings of Ayn Rand, Robert Heinlein, and Robert Anton Wilson; moldy old *Reader's Digest* versions of Hayek's *The Road to Serfdom*; used-bookstore copies of Murray Rothbard's *For a New Liberty*; unsolicited Laissez-Faire Books catalogs.

My own interest in libertarianism was such a bookish accident. My parents belonged to the Book of the Month Club but often either forgot to indicate they didn't want that month's selection or randomly chose books that they then stacked, still in the mailing boxes, on their shelves. Periodically, I would rip through the boxes and see if there was anything that seemed worth reading. Milton and Rose Friedman's *Free to Choose* caught my attention because its title appealed to my *de riguer* late-adolescent anti-authoritarianism; I knew virtually nothing of Milton Friedman, other than having a vague notion he was an evil, heartless man (an impression not particularly dispelled by the book's jacket photo, in which he stares inscrutably at the prospective reader, a pencil jutting out from his right hand).

I read *Free to Choose* in something approaching a trance. Not only did it convincingly refute the conventional wisdom I was taught by teachers, the government, and the media, it opened up a secret, alternative, compelling history of life in these United States. When I went to my hometown's public library (of all places) to seek out more by the Friedmans, I stumbled across their son David Friedman's *The Machinery of Freedom*—which hadn't been checked out in years, according to its "date

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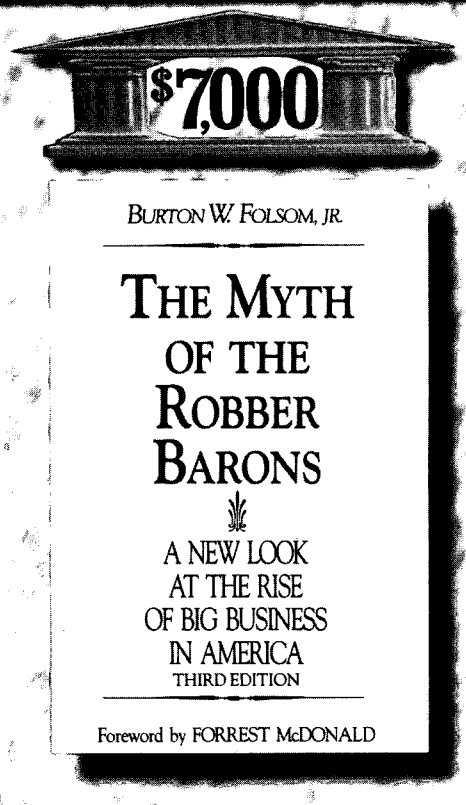
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due" card—and began pondering anarcho-capitalism, private justice systems, and "Adam Smith U." Around the same time, my older brother, away at a college that taught precious little Adam Smith and was, ironically enough, Milton Friedman's undergraduate alma mater, ran across a magazine called REASON and started passing old issues my way. References to F. A. Hayek and Ludwig von Mises abounded in those pages, as well as ads for places such as the Institute for Humane Studies, all pointing to an intellectual tradition that had somehow escaped my teachers' attention. By the time I graduated college and began covering zoning and planning board meetings for a daily newspaper, my blood would boil at the ways in which municipal martinets struck down or heavily modified proposed home improvements and additions. Somewhere along the line, I began calling myself a libertarian.

All of which explains why the publication of *What It Means to Be a Libertarian* and *Libertarianism* is cause for celebration. Whether Murray and Boaz top the best-seller list, go straight into the remainder bin, or—more likely—fall somewhere in between, libertarian ideas are being put into play. Books often have long and potent half-lives, radiating influence and effecting change long after their initial publication date. But in a more specific sense, too, there is cause for celebration: These are, some serious but limited considerations aside, good books. Each is likely to win some converts, albeit from different pagan tribes.

Charles Murray's *What It Means to Be a Libertarian* is particularly likely to score points with conservatives and latter-day localists. While *The Bell Curve* may have made Murray a pariah in certain circles, his stock remains high among conservatives. And indeed, many of the touchstones he employs—the Founders, small-town America, Rotarians—are foundational to conservative rhetoric. His introduction almost seems written to his stodgier colleagues at the American Enterprise Institute (one hopes that, at the very least, Robert Bork takes a peek): "Many of the leading thinkers of the libertarian movement—Libertarians with a capital-L, if you will—present a logic of individual liberty that is purer and more uncompromising than the one you will find here....I am only a lower-case libertarian. I am too fond of tradition and the nonrational aspects of the human spirit to be otherwise."

Although the chapter "Sex, Drugs, and Rock and Roll" may make conservative readers spit up their martinis, they will no doubt smoothly drink down reverential (and debatable) assertions about the good old days such as, "[Under limited government], America had a vital culture that was rich in literature, art, philosophy, and music—richer and more vital, one might argue, than American culture today." Similarly, Murray's picture of a post–big government America is painted very much in conservative, Main Street USA colors, as when he extols "associations that are hardly visible to official Washington though they form an important part of daily life elsewhere in America. The Rotarians, Kiwanians, Ruritanians. The Elk, Moose, Oddfellows. Little League. Junior League. Boy Scouts and Girl Scouts. The PTA."

Murray does a good—even an excellent—job of explicating basic libertarian ideas and their applications. "An adult making an honest living and minding his own business deserves to be left alone to live his life. He deserves to be free," he writes. "A more elaborated version of this position depends on two beliefs that almost everyone shares: Force is bad and cooperation is good....The libertarian ethic is simple but stark: Thou shalt not initiate the use of force. Thou shalt not deceive or defraud."

Murray follows this logic to its end. After a discussion of the "mindful human beings" and their inalienable and inseparable rights to life, liberty, and property, he pretty much lets it all hang out: "A lone adult should be permitted to engage in any activity of his choice in private. This includes whatever he wants to read, watch, say, listen to, eat, drink, inject, or smoke. He may dance, sing, pray, chant, contemplate the stars or howl at the moon, and otherwise occupy himself however he wishes. Groups of adults have the same freedom, with the usual proscriptions against force and fraud."

Despite such moments, however, *What It Means to Be a Libertarian* is a curiously bloodless book (certainly, it is less inspiring than Murray's 1988 book *In Pursuit*, itself a libertarian primer of sorts). Though it promises a "personal interpretation," Murray stretches precious little human flesh over his theoretical skeleton. Not only is there no narrative of how he arrived at his political philosophy, there is little sense that a living, breathing, three-dimensional human being stands behind the book. In a book designed as an apologia, Murray almost seems to coast, to assume a friendly audience. Too often, the result is a vague sketch where a detailed portrait is called for.

"When all the philosophizing is put aside," he writes, "what has made me a libertarian is a homely image and the answer to a simple question. The image is of an ordinary human being making an honest living and minding his own business—the kind of person who makes up the vast majority of adults around the world. The question is: What does this person owe the government, other than to keep on doing what he is doing?" While that is an interesting way of framing his investigation, it also begs the question of how Murray came to ask that question—and why it is an urgent one that readers should ask of themselves. As I worked through the book, the image I got was of a body-less intellectual, locked away in an ivory tower like some sort of supercomputer, generating theorems about a world experienced mostly on an abstract level.

This tendency is at its most damaging in Murray's appeals to history. Murray alludes to figures such as Jefferson and Madison as if they were totems whose mere invocation still had the power to cow fearful natives. He presents the American Founding's emphasis on limited government in an essentially ahistorical context that makes it seem particularly inconsequential to a late–20th-century audience that has known only a world split between competing models of the overreaching state. And he romanticizes the past in a way that also leaves it flat on the page: "For a hundred and fifty years, American government limited itself to a few things that everyone agreed government ought to do, and government did them pretty well. The Post Office delivered the mail. The Army won its wars. Police caught criminals. Judges put them in jail. Fire departments put out fires."

This sort of unnuanced nostalgia is less than compelling for at least a couple of reasons. First, it ignores the traditionally illiberal policies of federal, state, and local governments (slavery, always first and foremost, but also things like blue laws, restrictions on women's property rights, and morals laws affecting consenting adults). Second, and more important, it casts American history as a biblical fall from grace, with the unintended effect of making the past seem even more remote and irrelevant. Murray dates the fall variously, sometimes starting with the Progressive era, sometimes with the New Deal.

Such an Edenic view ignores the paradoxical and ongoing drama of American history that Arthur A. Ekirch details so forcefully in his great *The Decline of American Liberalism* (1955): that, from the very start, forces of centralized and decentralized power have been warring over the country; that, "despite the liberal hopes it inspired, [even] the American Revolution ...was not without its dangers as far as liberalism was concerned." Besides allowing for a fuller, richer accounting of American history, a view like Ekirch's allows for a greater sense of continuity and relevance to contemporary events. This is a far from trivial point, especially when trying to convince non-believers: The realization that all historical moments are contested makes change more possible in the present.

Oddly enough, Murray's detachment may help woo conservative readers all the more. Suspicious of change by definition (unless that change recaptures their remembrance of things past), conservatives tend to sniff at human passions as destructive. In any case, Murray's implicit argument that libertarianism would help them realize their ideal world—even as it does the same for others—should prove attractive.

If Murray's *What It Means to Be a Libertarian* is most likely to hit big with conservatives, David Boaz's *Libertarianism* may pull in a wider, more diverse audience. Boaz, executive vice president of the Washington, D.C.–based Cato Institute, has written an eminently readable, virtually encyclopedic account of libertarian thought in all its generalities and specifics. If Murray tends to float above a world of lived experience, Boaz almost revels in it. His opening chapter, boosterishly titled "The Coming Libertarian Age," is chock full of recent poll numbers and the "sudden media interest in libertarianism." (Such relevance is not without risks, of course; the song lyric attributed to "Dana Rohrabacher, West Coast libertarian troubadour" that appears at the start of *The Machinery of Freedom*, originally published in 1973, hints at how quickly time fades away.)

Boaz's chapter on "The Roots of Libertarianism" is among the best historical summaries of the libertarian impulse I've seen. "In a sense," writes Boaz, "there have always been but two political philosophies: liberty and power. Either people should be free to live their lives as they see fit, as long as they respect the equal rights of others, or some people should be able to use force to make other people act in ways they wouldn't choose." With nods to individualist precursors in ancient China, Greece, and Rome, Boaz transforms what might have been familiar boilerplate material into a cogent, complex, and convincing narrative of the development of libertarianism in the West.

Murray's detachment may help woo conservative readers all the more. Suspicious of change by definition, conservatives tend to sniff at human passions as destructive. Murray's implicit argument that libertarianism would help them realize their ideal world—even as it does the same for others—should prove attractive.

"Libertarianism is often seen as primarily a philosophy of economic freedom, but its real historical roots lie more in the struggle for religious toleration," he writes. By tracing that theme through the English revolutions of the 17th century and the eventual articulation of rights to life, liberty, and property, he makes the development of (classical) liberalism at once familiar and new. In so doing, Boaz reappropriates figures more or less kidnapped by the left, such as the 17th-century radical religious sect the Levellers and Thomas Paine. He also reinvigorates characters whose interest to readers may otherwise be minimal, such as the English poet John Milton, whose 1644 political treatise *Aeropagitica* argued for both freedom of religion and freedom of the press.

Boaz's summary, which includes comments on the "Modern Libertarian Movement," is particularly strong at underscoring the relationship between free minds and free markets—a point which goes to the heart of libertarian consistency and its equal distance from both contemporary liberalism and conservatism. He quotes Voltaire's description of the London Stock Exchange to illustrate the point: "'There the Jew, the Mohammedan, and the Christian deal with each other as if they were of the same religion....On leaving these peaceful and free assemblies, some go to the synagogue, others go to drink...others go to their church to wait the inspiration of God, their hats on their heads, and all are content.'"

This long view does more than provide a historical context and intellectual pedigree for a philosophy often derided as lacking either. By framing the issue as one of "liberty and power," Boaz has found a way of talking about limited government that doesn't rely in any way on a socialist enemy—a strategy that may pay off both with those inclined to socialism and those who find conservatoid threats of creeping communism unconvincing at this late date.

Boaz also brings a sense of wonder to the way market orders work to structure and meet the needs and desires of their participants. "Not long ago...in a small city in France," he writes, "I walked up to an automatic teller machine set into the massive stone wall of a bank that was closed for the weekend...and collected about $200, all without contact with any human being, much less anyone who knew me. I then took a taxi to the airport, where I approached a clerk at a rental-car counter, showed him a...piece of plastic, signed a form, and walked out with the keys to a $20,000 automobile, which I promised to return to someone else at a

different location....Stop for a moment and reflect on the wonders of the modern world: A man I had never seen before, who would never see me again, with whom I could barely communicate, trusted me with a car. A bank set up an automatic system that would give me cash on request thousands of miles from my home....How did such a worldwide network of trust come about?" From such simple starting points, Boaz generates discussions of virtually everything under the libertarian sun, ranging from natural rights and utilitarianism, to the distinction between society and government, to the law of unintended consequences and the failure of centralized planning.

Libertarianism underscores the antiutopianism implicit in liberalism properly understood (Murray also does this, if not quite as memorably)—a point one hopes is particularly salable at the end of a century still binding its wounds from great leaps forward, five-year plans, and other attempts to forcibly beat the world into some desired shape. "Karl Popper," notes Boaz, "once said that attempts to create heaven on earth invariably produce hell. Libertarianism holds out the goal not of a perfect society but of a better and freer one." Later, in a discussion of contemporary social issues, Boaz continues, "Libertarianism is a political philosophy, not a complete moral code. It prescribes certain minimal rules for living together in a peaceful, productive society—property, contract, and freedom—and leaves further moral teaching to civil society."

This last point may well be the most important one in terms of reaching infidels, since it illustrates what is particular to libertarianism. To use a computer-age metaphor, libertarianism is best understood as an operating system that allows an infinite number of applications to be launched. In a truly libertarian society, we could rightly expect all sorts of communities, of every possible creed and philosophy. Libertarianism doesn't demand that converts forsake their old religions, so to speak. Rather, it replaces conversion by the sword with conversion by the word, by example, and by moral suasion. In doing so, libertarianism provides the necessary backdrop to letting all sorts of individuals and groups pursue the lives they want to live while minimizing the conflicts that true diversity brings to any human society.

What It Means to Be a Libertarian and *Libertarianism* get that message out in different but striking ways. If conversions really are accidents waiting to happen, these books should bring more than a few pagans into the fold.

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Boomer Blues

By David R. Henderson

Will America Grow Up Before It Grows Old?: How the Coming Social Security Crisis Threatens You, Your Family, and Your Country, by Peter G. Peterson, New York: Random House, 237 pages, $21.00

Peter G. Peterson, chairman of the Blackstone Group, a private investment bank, and a former secretary of commerce under President Nixon, has been writing about the Social Security mess for some time. In *Will America Grow Up Before It Grows Old?*, Peterson shows just how grim the future will be due to out-of-control spending on Social Security and Medicare. His analysis, though off in some places, is often on target. Unfortunately, some of his proposed solutions would create new problems to replace the existing ones.

Peterson makes his case against Social Security's fiscal soundness with words, numbers, and graphs. To convey what the future will be like, he asks the reader to imagine "a nation of Floridas." Today, about one in five Floridians is age 65 or older; by the mid-2020s this will be true for the United States in general. His beautiful bar graph drives home the point. And while there are currently 3.3 workers per Social Security beneficiary, he notes that by 2040 the ratio will be less than 2 to 1. The implied Social Security taxes would rise from 11.5 percent of workers' payroll today to between 17 percent and 22 percent in 2040. And if Medicare spending rises as fast as it has historically, writes Peterson, taxes for these two programs alone would take more than a third of every worker's paycheck.

Peterson also presents scary data about the federal government's unfunded liability—the present value of all its future commitments minus the present value of the tax revenue earmarked to pay for these commitments. For Medicare and Social Security alone, this unfunded liability is a whopping $15.3 trillion. Compare this to the value of all the federal government's assets, which Peterson puts at $2.3 trillion. So much for the idea of selling off assets to avoid raising taxes for Medicare and Social Security.

The mess started in 1935, when Franklin Roosevelt introduced a social security program, though there was no popular demand for it, and then required most people in the private sector to join, even if they already had a pension plan. In contrast to private pension plans, which are normally set up on an actuarially sound basis, Roosevelt's Social Security was pay-as-you-go, with current retirees' benefits paid out of current workers' taxes. Oddly, Peterson mentions very little about the historical origins of Social Security and, when he talks about Roosevelt at all, he is way too generous. Rather than seeing the current dilemma of Social Security as inherent in the program's design, Peterson suggests the problem started in the 1960s and '70s. While it is true that what happened then made an awful situation much, much worse, it is also clear that Social Security's pay-as-you-go financing is an insurmountable structural flaw.

Between 1967 and 1972, writes Peterson, Congress and the president raised Social Security benefits by 72 percent (38 percent after adjustment for inflation). President Lyndon Johnson started the boom years. When Wilbur Cohen, Johnson's secretary of health, education, and welfare, proposed a 10 percent hike in Social Security benefits, Johnson replied, "Come on, Wilbur, you can do better than that!" Johnson also introduced Medicare. Then President Nixon added to the prob-

lem by getting into a bidding war with Wilbur Mills, a powerful congressman who tried to get the Democratic presidential nomination in 1972. Net result: a 20 percent increase in benefits. Massachusetts Institute of Technology economist Paul Samuelson provided some of the intellectual backing for these policies. Peterson quotes Samuelson: "The beauty about social insurance is that it is *actuarially* unsound." Samuelson's point was that if real incomes were growing quickly, each generation could get more out of Social Security than it paid in. While contemporary critics call Social Security a Ponzi game, Samuelson beat them to the punch in 1967 by *blessing* it as one. "A growing nation," wrote Samuelson, "is the greatest Ponzi game ever contrived."

Peterson pushes the popular belief that the current elderly are receiving a windfall from Social Security. "The typical one-earner couple retiring in 1995," he writes, "will get about $123,000 more from Social Security than the average earner and his or her employers ever paid into it, plus interest." But only in a footnote does he say that he used a real (i.e., inflation-adjusted) interest rate of only 2 percent. That's below what you can make on Treasury bills nowadays and well below the long-term 7 percent real rate that the stock market has averaged during the last 70 years.

Indeed, when you use a more realistic real rate of return, say between 5 percent and 7 percent, you conclude that Social Security screws almost everyone. This is what Eugene Steuerle, an economist at the Urban Institute who normally uses a 2 percent rate, found when he used 6 percent for some unpublished computations, and what my student Shawn Duffy and I found using 7 percent and even 5 percent. Steuerle found that someone born in 1955 will, if married, a sole provider, and a high earner (making $60,000 in 1993 dollars), receive $750,000 less than he or she paid in. Even an average earner (making $24,444 in 1993 dollars), if a sole worker in a married couple, loses $268,000. If both spouses work, and one earns $60,000 while the other makes $24,444, they lose over $1.2 million. That's right. For such a couple, it's as if the government took more than a million dollars from them the day they retired. Duffy and I calculated that even someone born in 1929 who worked for the minimum wage his entire life and who retired in 1994—supposedly the quintessential Social Security windfall king—would have done better without Social Security. At a 5 percent real rate of return, he would have been over $34,000 better off. At a real rate of 7 percent, he would have been over $100,000 better off without Social Security.

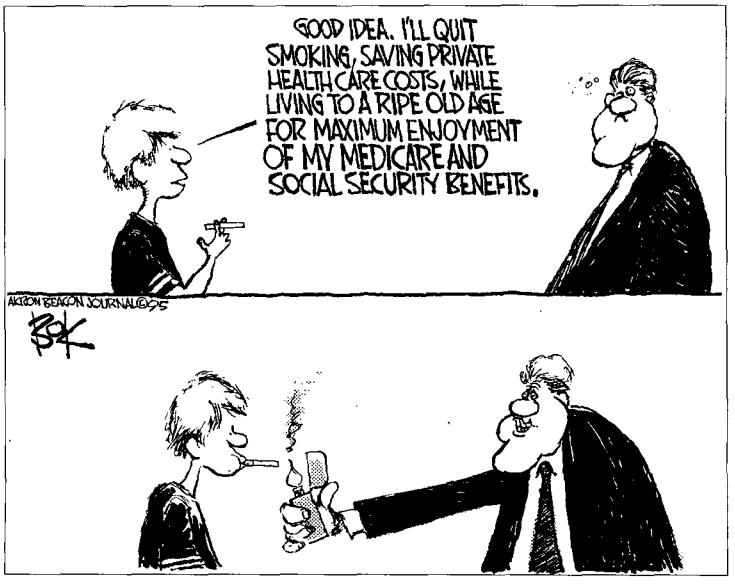
So, although Peterson is thought of as a Cassandra for his warnings on Social Security, he actually understates the problem. The problem arises because the Social Security taxes are spent rather than invested privately.

Just as Peterson's diagnosis is sometimes on target and sometimes not, so are his prescriptions. First the good news. Peterson would end the so-called earnings penalty, the law that requires retirees below age 70 to give up Social Security benefits for every dollar they earn past a modest threshold. For those aged 62 to 64, the "giveback" is 50 cents per dollar earned over $8,280; for those aged 65 to 69 it is 33 cents per dollar earned over $11,520. This program alone, independent of the income tax, imposes a marginal tax rate ranging from 33 percent to 50 percent. Score one for Peterson. Also to his credit, Peterson advocates that the age at which people can receive full Social Security and Medicare benefits be raised gradually from 65 to 70 by the year 2015.

Now the bad news. Peterson would impose an "affluence test" for receipt of Social Security, Medicare, and other benefits. If your income exceeds $40,000, you would lose 10 percent of your federal benefits for every additional $10,000 of income. So a family making $50,000 and receiving $12,000 in federal benefits would lose $1,200. A family making $100,000 and receiving $12,000 in benefits would lose 60 percent of that $12,000, or $7,200.

Aside from the difficulty of enforcing such a plan—*Mr. Smith, we just learned that your income last year was $10,000 higher than the previous year; please send us a check for $1,500, which is 10 percent of the cost of your hip replacement*—there is a fundamental moral and economic objection. The affluence test is morally objectionable because it penalizes people who make the same income as others their whole life, but who save more and earn a return on these savings.

The economic objection runs along similar lines. The "affluence test" would deter retirement saving, which is, after all, one of the main kinds. Financial planners, tax attorneys, and others would discuss the law in tax and investment newsletters, and someone who saves enough to make over $40,000 a year in retirement is likely to pay attention to such information. Peterson disagrees. It "strains credibility," he writes, to think that people will look ahead so far and so clearly. If he's right—I think he's not—notice that Peterson's proposal relies on people not finding out.


GOOD IDEA. I'LL QUIT SMOKING, SAVING PRIVATE HEALTH CARE COSTS, WHILE LIVING TO A RIPE OLD AGE FOR MAXIMUM ENJOYMENT OF MY MEDICARE AND SOCIAL SECURITY BENEFITS.
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At times, Peterson strains his own credibility through his ambivalence about government's proper role. Waxing eloquent about Americans of past centuries, Peterson writes, "[T]he ethic of individual responsibility taught that if you didn't save, you would bear the consequence personally. The spendthrift who hit bottom

could apologize to his family, implore his neighbors, or beg from strangers—but would have no claim on the public purse." Peterson later states that "*all* groups of federal beneficiaries" must "make meaningful sacrifices" by having some benefits cut. But one page later he tells us he doesn't mean it, advocating that federal benefits for the elderly poor be increased. This, in spite of his own demonstration that Social Security benefits have risen so dramatically for all, including the lowest-income beneficiaries. Peterson also wants the government to "substantially increase spending" on education, worker training, and research and development.

In the end, Peterson fails to draw the important moral from his own tale. He shows how Democratic and Republican politicians made a mess for us with reckless abandon, not seeming to care a whit about any consequences beyond the next election. And what does he conclude? That government should do more.

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Desperately Seeking David

By Steven Hayward

Radical Son: A Generational Odyssey, by David Horowitz, New York: The Free Press, 496 pages, $27.50

With the swift collapse of the Soviet Union and the demise of ideological communism, it might seem that the time has passed for the genre of ex-revolutionary, "God that failed" literature that includes Arthur Koestler's *Darkness at Noon*, George Orwell's *Animal Farm*, and Whittaker Chambers's *Witness*. *Radical Son* may prove to be the last of the genre, and it is a sign of how rapidly the Cold War era is passing from memory that this book may not be well-received—and not simply because David Horowitz's blunt, aggressive personality prompts the unsheathing of the critical long knives. The intellectual and personal atmosphere of the Cold War era and the New Left is in danger of ending up as remote and inaccessible to our imagination as the Children's Crusades of the Middle Ages, and is perhaps already becoming so. Because of this circumstance, Horowitz's book may undeservedly face an uphill climb with many readers.

Even ideologically sympathetic readers may find *Radical Son* an odd book, because it is intensely personal. To a greater extent than any other ex-revolutionary narrative, Horowitz's book includes confession, introspection, and embarrassing detail. I'm not sure I really needed to know that he wasn't breast-fed as an infant, or about his extramarital affairs, or about his painful life-long estrangement from his father. Yet taken as a whole, *Radical Son* is a compelling story, because it goes farther than many of the previous narratives in conveying how deeply radicalism cuts into one's character and psychology. The supposedly redemptive power of radical ideology, Horowitz makes clear, reaches into every corner of the soul, thus making a break from radicalism a desperate and personally devastating matter.

Horowitz was a classic "red diaper baby," raised by communist parents in the hothouse atmosphere of New York City in the 1940s. His parents, he tells us, thought of themselves as secret agents and were in fact close to the chain of communications that delivered Stalin's orders to assassinate Trotsky. Horowitz even attended Wo-Chi-Ca (short for "Workers Children's Camp"), a communist summer camp for kids. He undertook his first political project at age 10.

Ever since 1917, leftist intellectuals of each generation have had to face a moment of truth, their "Kronstadt" (after the ruthless crushing of the Soviet navy rebellion in 1921), forcing them to acknowledge the "shock of recognition" about the true nature of revolutionary socialism, or deny the truth and surrender their souls to justifying tyranny, or chase after some elusive "third way" that would supposedly square the contradictions of socialism. After Kronstadt, there were the Purge Trials in the 1930s, the Khrushchev report and the Hungarian revolt in the 1950s, Czechoslovakia in 1968, Solzhenitsyn's revelations about the Gulag in the 1970s, and martial law in Poland in 1982. For each generation, revolutionary socialism was revealed to be, in Bernard Henri-Levy's phrase, barbarism with a human face.

For Horowitz, his family, and their contemporaries in the radical neighborhoods of New York in the post–World War II years, it was the Khrushchev report on the barbarism of Stalin that presented a challenge to their Marxist faith. Instead of inspiring doubts, the Khrushchev report ironically gave birth to the "New Left," which held "the conviction that the original passion could be born again, and that we could create a new socialist vision free of the taint that Stalin had placed on the movement our parents had served." This became Horowitz's mission, and he pursued it with genuine intellectual seriousness.

After he finished a degree in English literature at Columbia University ("a series of missed opportunities," he now says), his travels brought him into the orbit of Bertrand Russell and Isaac Deutscher in London, where his writing career germinated. He went on to Berkeley, where he entered the graduate program in English literature and began writing and editing for *Ramparts* magazine. He describes the atmosphere and attitude of the New Left at that time: "As members of a new radical generation, our political identity was virginal: We had the benefit of *everybody's* doubt. We could position ourselves as radical critics of American society without having to defend the crimes committed by the Soviet bloc."

But already Horowitz was troubled by the anti-intellectualism of the New Left. "To me, intellectual rigor *did* matter," he writes. "I had read through shelves of books in an effort to find out why previous revolutions had gone wrong. Now, the anti-intellectualism already present in the Movement had become a revolutionary badge of honor." The Weathermen and other militant New Leftists had never

heard of the Khrushchev report. "Above all," he writes, "they had no sense of the abyss over which every revolutionary act was suspended."

But what finally pushed Horowitz beyond the brink of doubt was his close involvement with the Black Panthers in Oakland, which culminated in the Panther murder of their bookkeeper, Betty Van Patter, whom Horowitz had recruited for the Panthers. "Our injustice," he writes, "was as brutal and final as Stalin's. As progressives we had *no* law to govern us, other than that of the gang....I began to ask myself whether there was something in Marxism, or in the socialist idea itself, that was the root of the problem....My second thoughts had led me through a dark night of the soul that involved the condemnation of my own life."

To give up the socialist idea was still unthinkable for Horowitz at this point, so he dropped out of political activity altogether. But for such a political being, this resulted in personal free-fall, including an affair, drinking, and divorce from his first wife, Elissa. In his desperation, he even gave psychic healing a tryout. He began to piece his life back together by teaming up with his former *Ramparts* partner Peter Collier for a series of best-selling biographies of famous American family dynasties, such as the Kennedys, the Rockefellers, and the Fords. By degrees Horowitz became more convinced of the value of democracy, individual liberty, and free markets, and perhaps can be said to have fully crossed over when he cast his presidential ballot for Ronald Reagan in 1984. After that, most readers will know, he and Peter Collier went on to launch the "Second Thoughts" movement, and more recently the Center for the Study of Popular Culture and the tabloid monthly *Heterodoxy*.

If the depth of the personal desperation conveyed in this narrative seems alien to many readers, it is because, as suggested at the outset, the depth of the radical experience already seems anachronistic, even comical. *Radical Son* should be compared to, and differentiated from, the long series of similar books. One thing the ex-revolutionary literary genre has always had in common, the British critic John Strachey noted, is that "[t]he men who wrote these books regarded themselves as agonized, half-strangled outcries against an advancing, and almost certainly invincible tyranny." Richard Crossman, the editor of *The God That Failed*, noted that "[t]he true ex-Communist can never again be a whole personality." Arthur Koestler wrote, "Over-sensitivity to injustice and obsessional craving for Utopia are signs of neurotic maladjustment....Nothing is more sad than the death of an illusion." The novelist Ignazio Silone, another of the contributors to *The God That Failed*, wrote that "[s]omething of [the communist experience] remains and leaves a mark on the character that lasts all one's life."

If Horowitz's abyss seems darker and deeper than those of others who came before him, it is perhaps because he made a complete break with revolutionary socialism and embraced its opposite. It is little recognized how few of the previous generation of notable ex-communists actually made a complete break with the socialist vision. Silone wrote in *The God That Failed* that "my faith in Socialism, to which I think I can say my entire life bears testimony, has remained more alive than ever in me....I do not conceive Socialist policy as tied to any particular theory, but to a faith....Socialist values are permanent." And Orwell boasted that "[e]very line of serious work I have written since 1936 has been written, directly or indirectly, *against* totalitarianism and *for* democratic socialism." But Horowitz, having been a serious reader of Marx, became a serious reader of Hayek and Von Mises, coming fully to embrace the truth of the free market. Socialism, Horowitz concludes, is an adult fairy tale.

Radical Son also provides the key to understanding the fierce countenance of Horowitz's current ventures, which even many of his ideological allies do not fully comprehend or approve: In the book's prologue, Horowitz allows that "[e]ven allies who applaud the present acts of my public self often reserve suspicions of the private man whose experience they do not share and whose intentions are of a nature they do not fully trust." In the course of his narrative Horowitz explains that one of the keys to the strength of the left is its sense of moral superiority. Neither the collapse of the Soviet empire nor the eclipse of socialist ideology has really diminished the fervency of the left. While the vaunted "revolution" is nowhere in prospect, radical ideology continues to be slowly assimilated into American culture and institutions—a slow-motion revolution. The best way to puncture the moral pretensions of the left (and thereby challenge its legitimacy), Horowitz decided, was "to speak in the voice of the New Left—outraged, aggressive, morally certain. I would frame indictments as we had framed them, but from the other side....I wanted my former comrades to be put on the receiving end of accusations like those they had made against everyone else. I wanted them to see how it felt. Evidently, it did not feel good." This explains the deliberately chosen tone of *Heterodoxy*.

JULIE DENNIS

David Horowitz: Unlike George Orwell and other noteworthy ex-communists, he completely rejects the socialist vision.

Just like Whittaker Chambers, Horowitz is less a conservative than he is a "man of the right" (as Chambers described himself)—i.e., against the left. In one sense, Horowitz has not changed that much since the 1960s; he is still at war with the dominant culture. So in the end he is in harmony with his essential political being. "Becoming a conservative," Horowitz concludes, "turned out, ultimately, to be a way of coming home." ◆

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Right Off Target

By Walter Olson

The World Turned Right Side Up: A History of the Conservative Ascendancy in America, by Godfrey Hodgson, Boston: Houghton Mifflin, 365 pages, $27.50

"Libertarians: See conservatism"—thus the index of this book. Story of our lives, right? No matter what we say or do, we keep getting lumped with the right.

The connection, never exactly comfortable, is getting harder to defend these days, as many traditional conservatives lurch toward a policy agenda of decidedly coercive content. Even aside from (Pat) Buchananism with its dirigiste economics, more conservative public figures are devoting themselves these days to their pet "culture war," increasingly conceived as a campaign to get the state to suppress cultural developments welcomed and pursued by a large body of their fellow citizens. "Liberty," "individualism," and "pursuit of happiness" crop up as pejoratives in the season's hot right-wing book, Robert Bork's *Slouching Toward Gomorrah*, which calls for bringing back censorship in ferociously stringent form; for example, Bork would apparently ban private adult reading of prose on grounds of excessive violence as well as sex. (Don't even ask about the Internet.) *The Weekly Standard*, which aspires to set the tone for younger conservatives, seldom lets a week go by without taking a swipe at freethinkers, libertarians, the Enlightenment, and suchlike. Capitalism itself, having spawned such pet hates as MTV and IBM's domestic-partner benefits, is fast coming under fire on the right, as more trads make common cause with explicit left-communitarians like Daniel Bell, Eugene Genovese, and the late Christopher Lasch.

Back in the 1950s Frank Meyer proposed that classical liberals and trads belonged together, being "arrayed against a common enemy." But with post-Soviet Marxism consigned to the cobwebs of the academy and Western ideas surging through what used to be known as the Third World, do the constituent groups of the old right—advocates of individual liberty and of quasi-military social discipline, convinced secularists and those who'd enforce biblical law, cosmopolitan techies and agrarian despisers of development—still share enough of a "common enemy" to swallow their increasingly apparent differences?

We could certainly use a few good books on how American conservatism came this far, how it got into its present fix, and where it's headed. Unfortunately, this particular book won't help much.

Author Godfrey Hodgson has penned several books of popular history, including *America in Our Time* and a biography of Henry Stimson. His effort to make sense of the American right is not without its merits. He proposes to "take conservative ideas seriously," a worthy aim. His splendid title—*The World Turned Right Side Up*—well evokes the mood of activist conservatism on a good day. And his early chapters show him to be an efficient narrator, given the right materials.

But Hodgson is profoundly unsympathetic to the ideas he treats, especially those of free marketeers, and in the end proves fatally uncomprehending of those ideas. To be sure, the publisher provides fair warning that libertarians will not like this book, in blurbs clearly signed "Kevin Phillips" and "Michael Lind" (Garry Wills is missing; maybe he was out of town). Such blurbs are threats, not promises, and the book proceeds to deliver on them.

A longtime American correspondent for the U.K. press, Hodgson today resides at Oxford, yet readers expecting a British flavor will be disappointed. Much of his effort breathes the pure airlessness of Washington punditry, specifically the variety that's built on close attention to the pronouncements of other pundits. By page five he's already serving up block quotes cut from those peat bogs of platitude, Richard Lee Strout and Hedrick Smith.

It does get better, for a while. To explore the movement's intellectual origins Hodgson profiles four books of diverse content and tone, three finished in 1943 and the fourth a decade later: Ayn Rand's *The Fountainhead*, Albert Jay Nock's *Memoirs of a Superfluous Man*, F. A. Hayek's *The Road to Serfdom*, and Russell Kirk's *The Conservative Mind*. One could pick a worse conceit for organizing such an inquiry, and the results show the author at something like peak form as to independent judgment, though most readers on the right will disagree with much or most of what he says.

Another readable chapter or two bring the story up to the Goldwater campaign, after which point the genre begins to shift from history to current affairs and the quality begins to slide. Like many critics, Hodgson overestimates the importance of race in motivating the American conservative movement, which leads him into several lulus, such as the notion that the famed "Southern strategy" led the Nixon administration to cease punitive enforcement of civil rights laws (true perhaps in the case of busing, a policy whose deep public unpopularity had become clear; not true in many other areas).

In general, Hodgson keeps better control of his temper than do such would-be slayers of conservatism as Phillips and Lind, and gets through more of his material before beginning to splutter. Like many a pundit, his usual tic of would-be fairness is to salute admirable personal qualities in his opponents. Thus he acknowledges Bill Buckley's gift for friendship, Rand's romantic flair, Hayek's gentlemanliness, and so forth. Barry Goldwater, he says, was the target of "perhaps the most one-sided and unfair press coverage ever deployed in a presidential campaign."

The limits of this approach become clear in Hodgson's treatment of monetary policy. By any measure the defeat of inflation counts as a crucial triumph of the new "ascendancy," a direct result of conservative (or, given the credit due such figures as Milton Friedman and Alan Greenspan, libertarian/Objectivist) brainpower. Previous governments had generally professed to believe that inflation came about as a result of "inflationary pressures" such as commodity shortages, and of self-seeking by businesses and unions. Our side thought it was a matter of governments' running the printing presses late into the night to print greenbacks, pounds sterling,

Godfrey Hodgson: He promises to take free market ideas seriously but ends up sounding like an airless Beltway pundit.

and lire. They were wrong, we were right, and we proved our thesis in action to the point where even most left-of-center governments in the West have absorbed the basic lesson and now go light on the currency printing.

To judge by comments he lets drop, Hodgson is among those who still think the causes of inflation are to be found among such things as crop failures. So while praising Friedman as cheerful, energetic, and widely liked, he proceeds to brush off the professor's lifework on monetary theory as obsolete and discredited. Committing the opposite error—misrepresenting Friedman personally as an indolent grump, but at least getting right the extraordinary worldwide benefactions of his public career—would hardly have been less "fair" and would certainly have left the relevant passages of the book looking less knuckleheaded.

But the author is content to crib his economic ideas from such as Bennett Harrison, Barry Bluestone, Robert Kuttner, Samuel Bowles, and Robert Gordon. Put differently, while he apparently doesn't think of himself as a lefty (instead affecting Whiggery), he's willing to let lefties do his thinking for him. And so for him there can be "no serious argument" that the 1980s were bad for workers. Worrisome labor-market trends seldom emerge from impersonal market processes; instead, "American management imposed a tough new regime." (Even when it comes to an arguable trend as multifarious in origin as the widening of income disparities, his formulation is that "business imposed greater inequality.") We may hope to restrain the federal deficit's growth, but "there is no prospect of reversing" it—presumably a passage written before that deficit began shrinking. Marginal tax rates? The "badge not only of the government's need, but also of its determination to provide services for the citizens."

It's brave for an outsider to try a sweeping account of a big movement, and in other circumstances I'd probably have cut the author more slack for his various petty lapses, such as misspelling Ronald Hamowy's and Robert Bauman's names, failing to realize you need to include the "Smith" when naming the Smith Richardson Foundation, and so on. Or his lack of familiarity with specialized ideological terrain: He imagines that the difference between Objectivists and anarcho-capitalists was that the latter "stressed economic over personal freedom" and that the Ayn Rand of the late 1950s "tended to see communism as the issue." Or his doomed-at-birth metaphors: "By the 1970s, the eagles of populism, fickle birds, had flown into the camp of the conservatives," as if, seeking to express the idea of fickleness, one would reach naturally for the image of an eagle.

What resolved me to be mean to Mr. Hodgson is simply that he breaks his own big promise. If you wish to take your opponents' ideas seriously, as he pledges to do, there's a fairly simple, mostly negative algorithm to follow: You just have to presume they reached those ideas by intellection and not to rationalize their creature comforts or sex drives, keep their incomes flowing, vent their racism or liberal racial guilt, feel bighearted or superior or cool, etc. There's no obligation to extend this courtesy to any one opponent, and none of us do it all the time to all our opponents, but if one takes credit for doing so one should follow through. Yet by book's end Hodgson has become a motive-spotter like the rest, detecting careerism and veiled racism and labeling free marketry as merely "the self-interest of the business class" in that same old Wills-Lind-Phillips style. Which prompts me to say that I don't have the slightest idea what motivated Mr. Hodgson to write this book; I only wish he'd written a better one. ◆

Contributing Editor Walter Olson (hambo @eci.com), author of The Litigation Explosion, *is a senior fellow at the Manhattan Institute. His book on the modern revolution in employment law is forthcoming from The Free Press.*

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Stayin' Alive

Health, wealth, and wise guys

By Thomas W. Hazlett

Just as Ronald Reagan's red ink made the electoral world safe for a Balanced Budget Amendment, the Clinton administration's greatest gift has been to discredit the notion of sweeping health care reform. That is a considerable consolation prize to the American people, who have—thanks largely to Republican dirty tricksters—had to vote not once but twice for this student council prankster from Hot Springs.

The lure of health care legislation for the fledgling Clinton administration was not simply that it got the Ms. out of the White House. The chief draw was that cute little plastic card Mr. Clinton loved to wave: *Don't leave home without it!*

At the time it oozed of genius. In 1991 and 1992, Democrats feeling the pain of middle class folks downsized out of their health insurance were hitting nerves. They were zeroing in on people's fears of financial insecurity better than at any time since the New Deal.

Mr. Clinton's health care card would not only sweep your risk away, but the administration's policy wonks had ingeniously rigged a mechanism to control skyrocketing health care costs to boot. Wasn't it time that we tackled this great problem? "Experts from across the political spectrum agree," wrote the esteemed *National Journal* in July 1994, "that doing nothing would have the direst consequences.... Costs would continue to rise rapidly."

Well, the Clinton plan couldn't even sneak by a Democratic Congress, helping in fact to turn that body Republican. And "experts from across the political spectrum" were proven wrong: The health care cost trend went flatline in the 1994–96 period. Sorry, *National Journal.* We did nothing—and it worked!

The trick, of course, is that *doing nothing* in the public policy world allows much *more* to be done in the real world. Today, thousands of smart people work overtime trying to shave medical costs. Some of these are the dreaded HMO procedure-approval dragons; but others represent consumers, businesses, unions, even prison systems (New Jersey, witnessing a 500 percent rise in state-provided prison health care in the last 10 years, has just started letting contracts to per capita plans). The pressure is forcing people to face up to the trade-offs imposed by real constraints.

The golfing doctors who gripe about managed care are wrong to see it as the end of the free world: It is the end of the free lunch. And the editorial hustlers who crow that the HMO game is the same as the one inspired by HillaryCare are in need of post-traumatic stress medication: A *choice* among HMOs, other per capita plans, and fee for service, as dictated by market competition, is not the same deal as rules crafted for everyone by committees drafted in Washington. Not unless the Post Office, which also delivers data, is MCI.

In truth, the problems of health care remain substantial; hopefully, the recent authorization of medical savings accounts will spur imaginative new ways to deliver healthy people at lower cost. Advocates of "single payer" systems will yet point to socialist medicine elsewhere as a better buy. But adjusting for quality, as well as for cost inflation associated with U.S. government purchases (Medicare, Medicaid), makes this claim difficult to test.

The Clinton campaign for health care reform was, at bottom, a program to expand government; Ira Magaziner's passion was not aroused due to a lifelong attachment to medical cost cutting. Ira's dream was to give the government more big, important stuff to do. Those of us who believe that the state already has its hands full may want to focus on a very different government health care issue: the witness protection program.

It turns out that, before brave Americans can come forth to testify against gangsters, a sizable number of them are silenced permanently. In one sensational case in Los Angeles two years ago, both a witness and the mother of a witness were gunned down prior to a murder trial.

This inspired a stepped-up effort by the district attorney to protect his people—an altogether logical reaction. Perhaps the barest essential governmental function should be keeping alive our fellow citizens who come forth to prosecute violent criminals. Yet, as the *Los Angeles Times* puts it, "Two years later, efforts to strengthen the country's witness protection program have gone nowhere."

It seems that the government prosecutors, besides pleading a lack of funds, can't figure out which witnesses really need protection (threats being difficult to document: "Excuse me, Mr. Big Vinny, but would you be so kind as to put that in writing?"). Paralysis is also induced by legal liability. One retired LAPD officer calls the situation "scandalous." He notes that cops are told: "For God's sake, don't ever use the words 'I will protect you' or 'I will try to protect you,' because you have incurred liability.'"

Good legal advice: Taxpayers in Pomona, California, are having to shell out for a 1992 incident in which a prosecutor read a 16-year-old gang member's statement identifying a murder suspect in court—after promising the youngster confidentiality. Looking at the bright side, the youngster only had to live one terror-filled week before he, too, was mowed down, and his family is now collecting damages.

I don't have any snappy answers for this mayhem, but I do have a question: Why don't we try to solve this sort of government health care issue before tackling those which the rest of us might have a shot at? Uncle Sam should try to keep the witnesses in murder cases alive. We'll deal with the cold and flu season.

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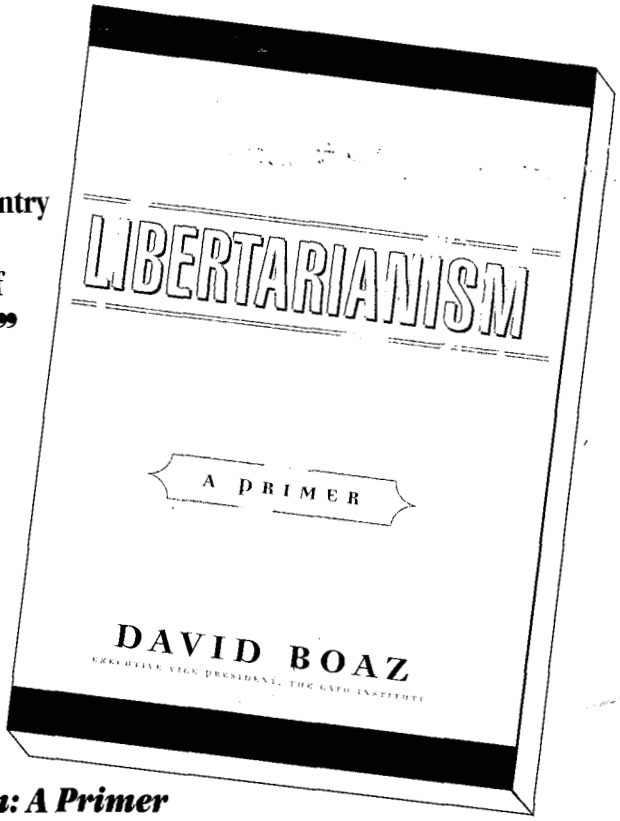

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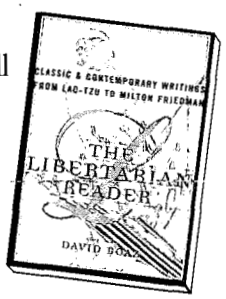

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